

**County of Orange  
NSP 3 Application**

In 2008, Congress appropriated funds under the Housing and Economic Recovery Act (Pub. L. 110-289, approved by June 30, 2008) (HERA), for the Neighborhood Stabilization Program (NSP) to assist states and local governments in the redevelopment of abandoned and foreclosed homes in response to the foreclosure crisis. OC Community Services received approval from the Board of Supervisors, on November 18, 2008 to amend the FY 2008-09 Annual Action Plan to add \$3,285,926 in Community Development Block Grant funds for the Neighborhood Stabilization Program (NSP) and received authorization to submit the Amended FY 2008-09 Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD) and execute all documents necessary to implement the NSP. On January 15, 2009, HUD approved the County's FY 2008-09 Annual Action Plan Amendment.

Additionally, the State of California Housing and Community Development Department (HCD) was also appropriated NSP funds. HCD opened a Notice of Funding Availability (NOFA) in April 2009 which included an allocation of \$5,868,670 for Orange County cities that did not receive allocations directly from HUD. HCD identified these cities as Tier 2 under their NSP. Under HCD's NSP, allocations to Tier 2 cities were reallocated to the County from cities that did not submit an NSP application to HCD. OC Community Services applied for and received a total of \$3,158,042 in unallocated NSP Tier 2 funds from HCD.

On October 16, 2009, staff released the NSP Request for Proposal (RFP) to select contractors to acquire and purchase abandoned and foreclosed properties for homeownership and rental opportunities. The County received multiple applications in response to the RFP by the November 9, 2009 deadline. On February 9, 2010, staff received Board approval to approve and execute Agreements for NSP funding with recommended contractors.

In 2009, Congress appropriated additional neighborhood stabilization funds under the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5, approved February 17, 2009) (Recovery Act). In 2010, Congress appropriated a third round of neighborhood stabilization funds under Section 1497 of the Wall Street Reform and Consumer Protection Act of 2010 (Pub. L. 111-202, approved July 21, 2010) (Dodd-Frank Act). The County of Orange received an allocation in the amount of \$1,004,948.

This application is an amendment to the FY 2010-2011 One-Year Action Plan for the County of Orange to receive and administer NSP3 funding. The amended document will be available during a 15-day public review and comment period from March 18, 2011 through April 1, 2011 on the following County website at:  
<http://www.ocgov.com/ocgov/Info%20OC/Departments%20&%20Agencies/OC%20Community%20Services/Housing%20&%20Community%20Development/Homebuyer>.

Citizens wishing to submit written comments during the public review and comment period may mail them, postmarked **no later than** April 1, 2011, to OC Community Services at 1770 N. Broadway, Santa Ana, CA 92706, to the attention of Joanna Chang, Administrative Manager I, who can also be reached at (714) 480-2993, if there are any questions.

## 1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Roper, Karen
Email Address	<a href="mailto:Karen.Roper@occr.ocgov.com">Karen.Roper@occr.ocgov.com</a>
Phone Number	714-480-2805
Mailing Address	1770 N. Broadway, Santa Ana, CA 92706

## 2. Areas of Greatest Need

### Map Submission

The map generated through the use of the HUD NSP3 Mapping Tool is included as an attachment.

### Data Sources Used to Determine Areas of Greatest Need

**Describe the data sources used to determine the areas of greatest need.**

Response:

The County utilized the HUD NSP 3 mapping tool to locate unincorporated areas within four census tracts. The HUD User Data site has provided supporting data that identifies these areas as the highest risk and thus the areas of greatest need. Details are provided below.

### Determination of Areas of Greatest Need and Applicable Tiers

**Describe how the areas of greatest need were established and whether a tiered approach is being utilized to determine the distribution of funding.**

Response:

Since the State of California's minimum foreclosure score is 17, NSP eligible projects must have an average foreclosure score of 17. The County's first priority is to locate eligible abandoned and/or foreclosed properties within an eligible census tract in the unincorporated County. The County has identified four eligible census tracts within the unincorporated area of the county. The table below details these areas.

Census Tract	PLACENAME	NSP3 NEED SCORE	Est. Delinquency Rate (%)	Foreclosure Starts	Income Eligibility	High Cost Loan (%)	Vacancy (%)	Properties Needed for Impact	Housing Unit Count
087701	Anaheim/ Anaheim Islands	17	14.54	49.51	Eligible	24.68	0.86	9.9	1607
087703	Anaheim Islands/Anaheim	17	14.74	62.75	Eligible	26.47	0.08	12.55	1430
087805	Stanton/Anaheim/ Anaheim Islands	18	16.06	41.83	Eligible	27.83	1.01	8.37	1891
087806	Anaheim/Stanton/Garden Grove/Anaheim Islands	19	17.52	53.2	Eligible	32.17	0.06	10.64	1560

HUD User Data provided by the NSP3 Mapping tool server describes these target communities in the following manner:

<p><b>Census Tracts: 087701, 087703 &amp; 087806 (unincorporated areas within)</b> <i>Neighborhood NSP3 Score: 17.33</i> State Minimum Threshold NSP3 Score: 17 Total Housing Units in Neighborhood: 2023</p> <p><i>Area Benefit Eligibility</i> Percent Persons Less than 120% AMI: 76.44 Percent Persons Less than 80% AMI: 46.69</p> <p>Total Housing Units to receive a mortgage between 2004 and 2007: 1110 Percent of Housing Units with a high cost mortgage between 2004 and 2007: 27.1 Percent of Housing Units 90 or more days delinquent or in foreclosure: 14.9 Number of Foreclosure Starts in past year: 80 Number of Housing Units Real Estate Owned July 2009 to June 2010: 44</p> <p>Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 15</p>
<p><b>Census Tract: 087805 (unincorporated areas within)</b> <i>Neighborhood NSP3 Score: 18</i> State Minimum Threshold NSP3 Score: 17 Total Housing Units in Neighborhood: 75</p> <p><i>Area Benefit Eligibility</i> Percent Persons Less than 120% AMI: 75.7 Percent Persons Less than 80% AMI: 26.5</p> <p>Total Housing Units to receive a mortgage between 2004 and 2007: 22 Percent of Housing Units with a high cost mortgage between 2004 and 2007: 27.8 Percent of Housing Units 90 or more days delinquent or in foreclosure: 15 Number of Foreclosure Starts in past year: 2 Number of Housing Units Real Estate Owned July 2009 to June 2010: 1</p> <p>Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 1</p>

### 3. Definitions and Descriptions

#### Definitions

Term	Definition
Blighted Structure	<p>In the October 19, 2010 Notice, HUD has defined a blighted structure when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare. The Notice also indicates that grantees must define blighted structure in the context of state or local law. As such, the following provides the definition of blighted structure under the Amended State of California Health and Safety Code (Effective January 1, 2007):</p> <p><b>Section 33030</b></p> <p>(a) It is found and declared that there exist in many communities blighted areas that constitute physical and economic liabilities, requiring redevelopment in the interest of health, safety, and general welfare of the people of these communities and of the state.</p> <p>(b) A blighted area is one that contains BOTH of the following:</p> <p>(1) An area that is predominately urbanized, as the term is defined in section 33320.1, and is an area in which the combination of conditions set forth in Section 33031 is so prevalent and so substantial that it causes a reduction of, or lack of, proper utilization of the area to such an extent that it constitutes a serious physical and economic burden on the community that cannot reasonably be expected to be reversed or alleviated by private enterprise or governmental action, or both, without redevelopment.</p> <p>(2) An area that is characterized by one or more conditions set forth in any paragraph of subdivision (a) of Section 33031 and one or more conditions set forth in any paragraph of subdivision (b) of Section 33031.</p> <p>(c) A blighted area that contains the conditions described in subdivision (b) may also be characterized by the existence of inadequate public improvements or inadequate water or sewer facilities.</p> <p><b>Section 33031</b></p> <p>(a) This subdivision describes physical conditions that cause blight:</p> <p>(1) Buildings which are unsafe or unhealthy for persons to live or work. These conditions can be caused by serious building code violations, serious dilapidation and deterioration caused by long term neglect, construction that is vulnerable to serious damage from seismic or geologic hazards, and faulty or inadequate water or sewer utilities.</p> <p>(2) Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots. This condition may be caused by buildings of a substandard, defective or obsolete design or construction given the present general plan, zoning or other development standards.</p>

	<p>(3) Adjacent or nearby incompatible land uses that prevent the development of those parcels or other portions of the project area.</p> <p>(4) The existence of subdivided lots that are in multiple ownership and whose physical development has been impaired by their irregular shapes and inadequate sizes, given the present general plan, and zoning standards and present market conditions.</p> <p>(b) This subdivision describes economic conditions that cause blight:</p> <p>(1) Depreciated or stagnant property values.</p> <p>(2) Impaired property values, due in significant part, to hazardous wastes on property where the agency may be eligible to use its authority as specified in Article 12.5 (commencing with Section 33459).</p> <p>(3) Abnormally high business vacancies, abnormally low lease rates, or an abnormally high number of abandoned buildings.</p> <p>(4) A serious lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.</p> <p>(5) Serious residential overcrowding that has resulted in significant public health or safety problems. As used in this paragraph, "overcrowding" means exceeding the standard referenced in Article 5 (commencing with Section 32) of Chapter 1 of Title 25 of the California Code of regulations.</p> <p>(6) An excess of bars, liquor stores, or adult-oriented businesses that has resulted in significant public health, safety, or welfare problems.</p> <p>(7) A high crime rate that constitutes a serious threat to the public safety and welfare.</p>
Affordable Rents	The County will use the HOME Program Rent definitions which are also in accordance with the County's Multifamily NOFA requirements.

### Descriptions

Term	Definition
Long-Term Affordability	The County will require that an affordability covenant be recorded against the property requiring affordable rents for the low-income tenants per HOME guidelines.
Housing Rehabilitation Standards	The County has established written rehabilitation standards (Orange County Housing Opportunities Overlay Manual) for rental housing opportunities and will comply with all applicable state and local laws, codes, and other requirements. The regulations permit the development of affordable housing in commercial and industrial districts, as well as certain residentially-zoned arterial highway frontage parcels, in the unincorporated areas of Orange County. This residential use is consistent with the Orange County Zoning Code and Orange County General Plan and is therefore "by right." The Housing Opportunities Manual will serve to facilitate the development of affordable housing within commercial and industrial districts by providing design guidelines and rehabilitation standards. These standards are also applicable to any and all development projects that are deemed 100% affordable.

## 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 = \$251,237.00

### Meeting Low-Income Target

**Provide a summary that describes the manner in which the low-income targeting goals will be met.**

Response:

The County of Orange received an allocation in the amount of \$1,004,948 in NSP 3 funding and intends to purchase a site of up to five (5) acres in an amount not to exceed \$5 million to build a campus model with emergency beds, permanent housing and a multi-service center. The County will apply a minimum of 25% of this funding, or \$251,237.00, for housing individuals and families whose incomes do not exceeds 50% of the area median income. Specifically, the County will provide permanent affordable housing for homeless NSP eligible families with incomes as low as 30% AMI. Furthermore, the County plans to leverage NSP 3 funds with funds available through other federal, state and/or local funding programs to provide additional emergency & permanent housing units.

## 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.,  $\leq$  80% of area median income)?

No

If yes, fill in the table below.

Question	Number of Units
The number of low- and moderate-income dwelling units—i.e., $\leq$ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.	0
The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., $\leq$ 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).	0
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	0

## 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:**

To encourage citizen participation in the preparation of the substantial amendment to the FY 2010-2011 Action Plan, the County will take the following actions in accordance with NSP 3 requirements:

- Make the substantial amendment available on the OC Community Services website at

<http://www.ocgov.com/ocgov/>

and give County residents 15 calendar days to review and comment on it. The notice invites citizens to review the proposed substantial amendment to the Action Plan. Citizens are also invited to submit written comments to OC Community Services by March 31, 2011.

### Summary of Public Comments Received.

The summary of public comments received will be included as an attachment.

## 7. NSP Information by Activity

Activity Number 1		
<b>Activity Name</b>	(Enter the name of Activity Number 1)	
<b>Uses</b>	Select all that apply:	
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms	
	<input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation	
	<input checked="" type="checkbox"/> Eligible Use C: Land Banking	
	<input type="checkbox"/> Eligible Use D: Demolition	
<input checked="" type="checkbox"/> Eligible Use E: Redevelopment		
<b>CDBG Activity or Activities</b>	Acquisition, 24 CFR 570.201 (a); Disposition, 24 CFR 570.201 (b); and Eligible rehabilitation and preservation activities for homes and other residential properties, 24 CFR 570.202 (a)(1)(b)(1)(2)(4)(5)(6)(7)(iv)(9)(ii).	
<b>National Objective</b>	Low-Income Housing to Meet 25% Set-Aside (LH25).	
<b>Activity Description</b>	<p>The program will provide financial assistance for affordable rental housing for low-income persons. The site must be vacant and have been foreclosed upon or abandoned pursuant to NSP guidelines. Eligible properties must be located within an eligible census tract in the County (see attached map).</p> <p>NSP3 funds will be utilized for the redevelopment and/or rehabilitation of vacant and/or abandoned residential, commercial and/or industrial properties for the purpose of providing permanent affordable housing in support of a "campus model" which would include emergency housing, permanent housing and service center.</p> <p>The Orange County Housing Opportunities Overlay allows the maximum density for each development site to be twenty-five (25) dwelling units per gross acre, or the allowable density of the base zone for residential parcels, whichever is higher. Additionally, state density bonus law requires that a density bonus on a sliding scale up to 35% be granted to projects that provide units affordable to lower- or very-low-income households. The County will acquire up to one (1) acre utilizing NSP III funds which would support 25 units of permanent affordable rental housing.</p>	
<b>Location Description</b>	Urban County, Participating Cities and Entitlement Cities	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$1,004,948
	Federal, State and Local Funds	\$5,000,000
<b>Total Budget for Activity</b>	<b>\$904,453</b> The County will utilize \$904,453 in NSP3 funds, in conjunction with other funding sources, for the redevelopment and/or rehabilitation of vacant and/or abandoned residential, commercial	



	<p>and/or industrial properties for the purpose of providing permanent affordable housing in support of a "campus model" which would include emergency housing, permanent housing and service center.</p> <p><b>Program Income</b> Should any program income be received via sales, fees or rents, those program income funds will be utilized and expended within NSP guidelines.</p>	
<p><b>Performance Measures</b></p>	<p>The redevelopment and/or rehabilitation of vacant and/or abandoned residential, commercial and/or industrial properties for the purpose of providing permanent affordable housing in support of a "campus model" which would include emergency housing, permanent housing and service center. The County will apply a minimum of 25% of this funding for housing eligible homeless households whose incomes do not exceeds 50% of the area median income. Under NSP 3, the County will expend 50% these funds within 2 years from the date HUD signs the grant agreement and will expend an amount equal to the allocation within 3 years utilizing a Request For Proposal (RFP) process to secure a development team.</p> <p>The County intends to use 90% of the awarded NSP 3 funds to acquire the property. The County anticipates releasing the RFP within 6 - 8 months upon receipt of the executed HUD NSP 3 contract. The contractor is selected through the RFP process and will be selected within 120 days of issuance. Groundbreaking will occur three (3) to six (6) months after the selection of the contractor. Certificate of Occupancy is anticipated within 18-24 months after groundbreaking. We are anticipating on leasing up and stabilizing the units within 90-120 days of receipt of Certificate of Occupancy.</p>	
<p><b>Projected Start Date</b></p>	<p>June, 2011</p>	
<p><b>Projected End Date</b></p>	<p>June, 2013</p>	
<p><b>Responsible Organization</b></p>	<p><b>Name</b></p>	<p>Karen Roper, Director</p>
	<p><b>Location</b></p>	<p>County of Orange/OC Community Services 1770 N. Broadway Santa Ana, CA 92706</p>
	<p><b>Administrator Contact Info</b></p>	<p>Karen.Roper@occr.ocgov.com</p>

Activity Number 2		
<b>Activity Name</b>	Program Administration (related to Activity 1)	
<b>Uses</b>	Select all that apply:	
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms	
	X Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/> Eligible Use C: Land Banking	
	<input type="checkbox"/> Eligible Use D: Demolition	
X Eligible Use E: Redevelopment		
<b>CDBG Activity or Activities</b>	Acquisition, 24 CFR 570.201 (a); Disposition, 24 CFR 570.201 (b); and Eligible rehabilitation and preservation activities for homes and other residential properties, 24 CFR 570.202 (a)(1)(b)(1)(2)(4)(5)(6)(7)(iv)(9)(ii).	
<b>National Objective</b>	Low-Income Housing to Meet 25% Set-Aside (LH25).	
<b>Activity Description</b>	The Program Administration Activity (related to Activity 1) will allow NSP 3 funding in the amount of \$100,495 (10%) to be applied towards approximately two (2) Full-Time Equivalents (FTEs).	
<b>Location Description</b>	Urban County, Participating Cities and Entitlement Cities	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$1,004,948
	Federal, State and Local Funds	\$5,000,000
<b>Total Budget for Activity</b>	\$100,495 The County will utilize \$100,495 (10%) to administer the NSP program.	
<b>Performance Measures</b>		
<b>Projected Start Date</b>	June, 2011	
<b>Projected End Date</b>	June, 2013	
<b>Responsible Organization</b>	<b>Name</b>	Karen Roper, Director
	<b>Location</b>	County of Orange/OC Community Services 1770 N. Broadway Santa Ana, CA 92706
	<b>Administrator Contact Info</b>	Karen.Roper@occr.ocgov.com

## 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 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.

  
Signature/Authorized Official

  
Date

  
Title

# NSP 3 Substantial Amendment Abbreviated Plan Checklist

**Jurisdiction:** Click here to enter text.

**Lead Agency:** Click here to enter text.

**Jurisdiction Web Address:** Click here to enter text.

**NSP Contact Person:** Click here to enter text.

**Address:** Click here to enter text.

**Telephone:** Click here to enter text.

**Fax:** Click here to enter text.

**Email:** Click here to enter text.

The required elements in the substantial amendment/abbreviated action plan are:

**A. Areas of Greatest Need**

Does the submission identify a neighborhood or neighborhoods as being areas of greatest need with an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the 20<sup>th</sup> percentile most needy score in an individual state? See <http://www.hud.gov/nsp> for minimum thresholds.

Yes X No

Verification found on page:

**Comments:**

**B. Distribution and Use of Funds**

Does the submission contain a narrative describing how the distribution and uses of the grantee's NSP3 funds will meet the requirements of Section 2301(c)(2) of HERA, as amended by the Recovery Act and the Dodd-Frank Act, that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures?

Yes X No

Verification found on page:

**Note:** The grantee's narrative must address the three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

**Comments:**

**C. Definitions and Descriptions**

For the purposes of the NSP3, do the narratives include:

- a definition of "blighted structure" in the context of state or local law

Yes X No

Verification found on page:

- a definition of "affordable rents"

Yes X No

Verification found on page:

- a description of how the grantee will ensure continued affordability for NSP3 assisted housing

Yes X No

Verification found on page:

- a description of housing rehabilitation standards that provide for improvements to increase energy efficiency or conservation of such homes and properties or to provide for a renewable energy source or sources on homes or properties that will apply to NSP3-assisted activities (including applicable Energy Star requirements)

Yes X No

Verification found on page:

- a description of how the grantee will comply with rental housing preference

Yes X No

Verification found on page:

- a description of how the grantee will meet the vicinity hiring requirement

Yes X No

Verification found on page:

**Comments:**

**D. Housing Market Conditions**

Does the action plan narrative should specifically address how the grantee's program design will address the local housing market conditions?

Yes X No

Verification found on page:

**Comments:**

**E. Information By Activity**

Does the submission contain information by activity describing how the grantee will use the funds, Identifying:

- eligible use of funds under NSP3?

Yes X No

Verification found on page:

- correlated eligible activity under CDBG?

Yes X No

Verification found on page:

- the areas of greatest need addressed by the activity or activities?

Yes X No

Verification found on page:

- expected benefit to income-qualified persons or households or areas?

Yes X No

Verification found on page:

- appropriate performance measures for the activity?

Yes X No

Verification found on page:

- amount of funds budgeted for the activity?

Yes X No

Verification found on page:

- the name, location and contact information for the entity that will carry out the activity

Yes X No

Verification found on page:

- expected start and end dates of the activity?

Yes X No

Verification found on page:

- how the grantee shall, to the maximum extent feasible, provide for the hiring of employees who reside in the vicinity of NSP3 projects or contract with small businesses that are owned and operated by persons residing in the vicinity of such project, including information on existing local ordinances that address these requirements?

Yes X No

Verification found on page:

- the procedures used to create preferences for the development of affordable rental housing developed with NSP3 funds?

Yes X No

Verification found on page:

**Comments:**

**F. Specific Activity Requirements**

Does each activity narrative describe the general terms under which assistance will be provided, including:

If the activity provides financing,

- the range of interest rates (if any)

Yes X No

Verification found on page:

If the activity provides housing,

- duration or term of assistance?

Yes X No

Verification found on page:

- tenure of beneficiaries (e.g., rental or homeownership)?

Yes X No

Verification found on page:



- does it ensure continued affordability?

Yes X No

Verification found on page:

- does the applicant indicate which activities will count toward the statutory requirement that at least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50% of area median income?

Yes X No

Verification found on page:

**Comments:**

**G. Low-Income Targeting**

Has the grantee described how it will meet the statutory requirement that at least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50% of area median income?

Yes X No

Verification found on page:

Has the grantee identified how the estimated amount of funds appropriated or otherwise made available will be used for housing individuals or families whose incomes do not exceed 50% of area median income?

Yes X No

Verification found on page:

Amount budgeted: \$

**Comments:**

**H. Demolition or Conversion of Low- And Moderate-Income Units**

Does grantee plan to demolish or convert any low- and moderate-income dwelling units?

Yes  No

Verification found on page:

Does the substantial amendment include:

- 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?

Yes  No

Verification found on page:

- The number of NSP3 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 NSP3 activity providing such housing (including a proposed time schedule for commencement and completion)?

Yes  No

Verification found on page:

- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income?

Yes  No

Verification found on page:

**Comments:**

**I. Public Comment Period**

Was the proposed action plan amendment published via the grantee jurisdiction's usual methods and on the internet for no less than 15 calendar days of public comment?

Yes X No

Verification found on page:

Is there a summary of citizen comments included in the final amendment?

Yes X No

Verification found on page:

**J. Website Publication**

The following documents are available on the grantee's website:

- Proposed NSP3 Substantial Amendment                      Yes X   No
- Final NSP3 Substantial Amendment                         Yes X   No
- Subsequent NSP3 Amendments                                Yes  No

Website URL:

**K. SF424**

Does the application contain the SF424 form?

Yes X   No

**L. Certifications**

**(Note: Make sure grantee signs the correct certifications; non-entitlement local governments have to sign a different set of certifications)**

**Certifications for Entitlement Communities and States:**

The following certifications are complete and accurate:

- (1) Affirmatively Furthering Fair Housing                      Yes X   No
- (2) Anti-Displacement and Relocation Plan                    Yes X   No
- (3) Anti-Lobbying    Yes X   No
- (4) Authority of Jurisdiction                                         Yes X   No
- (5) Consistency with Plan     Yes X   No
- (6) Acquisition and Relocation                                     Yes X   No
- (7) Section 3    Yes X   No
- (8) Citizen Participation    Yes X   No
- (9) Following a Plan    Yes X   No
- (10) Use of Funds     Yes X   No
- (11) a. Use NSP Funds ≤ 120 of AMI                              Yes X   No
- b. No Recovery of Capital Costs through Special Assessments    Yes X   No

- (12) Excessive Force Yes X No
- (13) Compliance with Anti-Discrimination Laws Yes X No
- (14) Compliance with Lead-Based Paint Procedures Yes X No
- (15) Compliance with Laws Yes X No

**Certifications for Non-Entitlement Communities:**

The following certifications are complete and accurate:

- (1) Affirmatively Furthering Fair Housing Yes  No
- (2) Anti-Displacement and Relocation Plan Yes  No
- (3) Anti-Lobbying Yes  No
- (4) Authority of Jurisdiction Yes  No
- (5) Consistency with Plan Yes  No
- (6) Acquisition and Relocation Yes  No
- (7) Section 3 Yes  No
- (8) Citizen Participation Yes  No
- (9) Use of Funds Yes  No
- (10) a. Use NSP Funds ≤ 120 of AMI Yes  No
- b. No Recovery of Capital Costs through Special Assessments Yes  No
- (11) Excessive Force Yes  No
- (12) Compliance with Anti-Discrimination Laws Yes  No
- (13) Compliance with Lead-Based Paint Procedures Yes  No
- (14) Compliance with Laws Yes  No

**Substantially Complete**

Is the amendment substantially incomplete?

Yes  No X

If the amendment is substantially incomplete, set for the basis of that determination by using the following as a guide:

- The amendment was developed without the requires citizen participation.
- The amendment fails to satisfy all of the required elements in the Notice.

**Comments:**

**Recommended for approval**

**Recommended for disapproval**

Date amendment disapproved (in part or in its entirety): [Click here to enter a date.](#)

Note: Written notification of disapproval must be communicated to the applicant in accordance with 24 CFR 91.500(c). If disapproved, provide documentation, including dates and times on incompleteness determination and discussions with grantee and headquarters.

Reviewed by: Robert DiGruccio

Date: [Click here to enter a date.](#)

Program Manager: Chin Woo Choi

Date: [Click here to enter a date.](#)

CPD Director: William Vasquez

Date: [Click here to enter a date.](#)

