

# Memo

✓ To: JERRY BENTROTT, CITY MANAGER  
C: GREGORY J. ORAVEC, ASSISTANT CITY MANAGER  
From: TRICIA SWIFT-POLLARD, COMMUNITY SERVICES DIRECTOR *TSP*  
Date: February 14, 2012  
Re: NSP AMENDMENTS

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I would like to bring the following NSP 1 and NSP3 amendments to Council. These amendments make the following adjustments to our existing Plans:

Amendments to the NSP-1 and NSP 3 programs propose the following changes to both programs:

- Made technical changes to comply with HUD requirements for FHA loans. We are working with the state to leverage bond, deferred-loan financing which will be the second mortgage, averaging \$2,700. The City's deferred loan will provide the remaining funds needed for gap financing as a third mortgage. As a result, we took out references to the City providing a "second" mortgage.
- Updated the plan to show revised income and rent tables where appropriate and listed where to find updated program income information.
- Revised the plan to allow for small grants (not to exceed \$3,000) in those cases where the combined loan to value is limited and/or other issues will not allow the City's mortgage to cover all of the closing costs for the client.

The NSP 1 Plan/Amendment proposes the following additional change:

- Added flexibility to the provision for rebuilding on demolished lots so the RFP may include more entities than just nonprofits; in order to not exclude homebuilders who may be interested in applying for the rebuilding.

The NSP 3 Plan/Amendment proposes the following additional change:

- Increased the size of the target area. The east, west and southern boundaries remain the same; however, the northern boundary would be extended from Eyerly to Prima Vista. A map of the proposed targeted area is attached to the NSP Amendment. We are behind in our projections for home purchases due to the slowing of the foreclosure process and we will increase the number of foreclosed homes available for purchase by increasing the size of our target area.

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FEB 15 2012

City Manager's Office

The amendments have a mandatory 15 day comment period; all citizen comments will be addressed. I have attached a marked copy of the revisions we are requesting and the agenda item request. We will advertise the public hearing for this revision and hold open the public comment period for at least 15 days from the time we post the proposed amendments on the web site. I would like to put this on the Council Agenda for a Public Hearing on February 27, 2012.

Let me know if you have any questions or require additional information.

PORT ST. LUCIE CITY COUNCIL  
Agenda Item Request

MEETING: CITY COUNCIL Regular  Special

DATE: February 27, 2012

Public Hearing  Ordinance  Resolution  Motion

ITEM: Neighborhood Stabilization Program -1 (NSP 1).

RECOMMENDED ACTION: After the public hearing, staff recommends a motion for approval of the proposed revised plan/amendment for NSP 1.

EXHIBITS: Memo with Draft Plan/Amendment.

SUMMARY EXPLANATION/BACKGROUND INFORMATION: Council approved the original NSP1 plan in 2009 and has reviewed and approved several revisions to comply with HUD revisions and/or improvements to the plan. This amendment provides:

- Technical changes to comply with HUD requirements for FHA loans. We are working with the state to leverage bond, deferred-loan financing, which will be the second mortgage, averaging \$2,700. The City's deferred loan will provide the remaining funds needed for gap financing as a third mortgage. As a result, we took out references to the City providing a second mortgage.
- Added flexibility to the provision for rebuilding on demolished lots so the RFP may include more than nonprofits; in order to not exclude homebuilders who may be interested in submitting a proposal for the rebuilding.
- Updated the plan to show revised income and rent tables and where to find updated program income information.
- Added a provision for small grants not to exceed \$3,000 in those cases where the combined loan to value is limited and/or other issues will not allow the City's mortgage to cover all of the closing costs for the client.

IF PRESENTATION IS TO BE MADE, HOW MUCH TIME WILL BE REQUIRED?

Director will be available for Questions

SUBMITTING DEPARTMENT: Community Services

DATE: 2/ 13 /12

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City Manager's Office

**CITY OF PORT ST. LUCIE**  
**NEIGHBORHOOD STABILIZATION PROGRAM 1**  
**AMENDMENT**

~~May 23, 2011~~ January February 13, 2012

Jurisdiction: City of Port St. Lucie  
Web address: [www.cityofpsl.com](http://www.cityofpsl.com)

NSP 1 Contact Person: Tricia Pollard  
Address: Community Services Department  
City of Port St. Lucie  
121 SW Port St. Lucie Blvd.,  
Port St. Lucie, FL 34984  
Telephone: 772-871-5284  
Fax: 772-344-4340  
Email: [TriciaP@cityofpsl.com](mailto:TriciaP@cityofpsl.com)

## Introduction

The Neighborhood Stabilization Program (NSP 1) was authorized by the US Housing and Economic Recovery Act of 2008 (P.L. 110-289). The NSP 1 funds are to be used to acquire, rehabilitate, demolish, and redevelop foreclosed and abandoned residential properties in order to help stabilize neighborhoods. On September 29, 2008 the Department of Housing and Urban Development (HUD) announced fund allocations for the NSP 1. The City of Port St. Lucie was allocated \$13,523,132. Fund allocations by HUD were based on the number and percentage in the locality of:

- o Home foreclosures
- o Homes financed by subprime loans
- o Homes in default or delinquency and likely to face foreclosure

The NSP 1 allows funds to be used to:

1. Establish financing mechanisms for purchase of foreclosed homes and residential properties.
2. Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed, in order to sell, rent, or redevelop such homes and properties.
3. Establish land banks for homes that have been foreclosed.
4. Demolish blighted structures.
5. Redevelop demolished or vacant properties.

All NSP 1 benefits to households must go to those whose income does not exceed 120 percent of area median income, adjusted for household size – a threshold income considerably higher than the normal CDBG program guidelines of 80% or less of area median income. Funds may also be used for activities that:

- o serve areas in which at least 51% of the residents have household income at or below 120% of area median
- o serve a clientele whose incomes are at or below 120% of area median income.

The NSP 1 program further includes a set aside provision that requires that at least 25% of the funds (\$3,380,783 for Port St. Lucie) be expended on housing for households earning less than 50% of the area median income based on the current year's income limits. Exhibit 1 provides the HUD's maximum income by household size for 2011 for households at 120% of median, 80% of median and 50% of median.

**Exhibit 1  
Port St. Lucie  
Household Income Eligibility - 2011-2012**

INCOME RANGE	MEMBERS IN HOUSEHOLD							
	1	2	3	4	5	6	7	8
LOW (50% of median)	\$19,850 <sup>950</sup>	\$22,700 <sup>800</sup>	\$25,550 <sup>650</sup>	\$28,350 <sup>500</sup>	\$30,650 <sup>800</sup>	\$32,900 <sup>33,100</sup>	\$35,200 <sup>350</sup>	\$37,450
MODERATE (80% of median)	\$31,750 <sup>950</sup>	\$36,300 <sup>500</sup>	\$40,850 <sup>41,050</sup>	\$45,350 <sup>600</sup>	\$49,000 <sup>250</sup>	\$52,650 <sup>900</sup>	\$56,250 <sup>500</sup>	\$59,900 <u>60,299</u>
MIDDLE (120% of median)	\$47,650 <sup>900</sup>	\$54,450 <sup>700</sup>	\$61,250 <sup>550</sup>	\$68,050 <sup>400</sup>	\$73,500 <sup>850</sup>	\$78,950 <sup>79,350</sup>	\$84,350 <sup>800</sup>	\$89,800 <u>90,300</u>

Source: HUD Income Limits for 2011-2012 – effective December 1, 2011 and subject to change

All NSP 1 activities are governed by federal rules and regulations including environmental, historic property compliance, Davis Bacon wage requirements and the Uniform Relocation Act, as applicable.

To receive the funds Port St. Lucie must submitted to HUD and HUD must approved a substantial amendment to the City's CDBG Action Plan (hereafter "amendment"). The amendment must detailed how the city will planned to use the NSP 1 funds. The amendment is due to HUD by December 1, 2008, with had a mandatory 15 day comment period posted on our website and advertised and all citizen comments addressed. Once HUD receives the amendment they have three months to respond with comments/changes, approval or disapproval. The City will have 18 months from the date of HUD's approval to contractually obligate all funding and four years to expend the funds. The City has submitted several amendments to the Plan since 2008 in order to allow the program to achieve its original purposes and work within the current economic climate for foreclosures, all original funds have been expended, updates on program income are available from the Community Services Office and quarterly reports are available on the City's website at... (please put in where they should look to find the info on our quarterly reports... if we are going to update this info then I think we need to include this as well) www.cityofpsl.com. Click on the Neighborhood Stabilization Program 1 icon and look for "Reporting Progress." Each amendment has been advertised and available for comments in compliance with HUD's rulings. The most recent amendment was published in the local newspaper, on TV Channel 20 and available on the City's website beginning February 14, 2012 until submission on March 1, 2012.

Port St. Lucie proposes to use its NSP 1 funds to carry out the following eligible use activities permitted under the NSP 1.

**Exhibit 2  
Eligible Use Activities and Estimated Budget**

Eligible Use	Activity	Estimated Budget
A. Establish financing mechanisms for purchase of foreclosed upon homes and residential properties.	24 CFR 570.206 Set up and provide the financing mechanism program of <u>deferred soft-second loans for direct client financial and subsidy assistance for purchase of the resale of foreclosed homes from the City. We may include grants up to \$3,000 in those cases where the combined loan to value is limited and/or other issues will not allow the City's mortgage to cover all of the closing costs in excess of our required minimum down payment.</u>	0
B. Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties.	24 CFR 570.201 (a)Acquisition	\$9,590,280
	(b)Disposition	\$ 256,000
	(n) Direct homeownership assistance as modified below: 570.202 eligible rehabilitation and preservation activities for homes and other residential properties	<u>\$2,172,539</u>  \$12,018,280
D. Demolish Blighted Structures	24 CFR 570.201(d) Clearance for blighted structures only.	\$ 152,000
Program Administration		\$ 1,352,313
<b>Total</b>		<b>\$13,523,132</b>

This amendment to the Port St. Lucie CDBG Action Plan describes the eligible uses and activities and includes the following information as required by HUD:

- Areas of Greatest Need
- Distribution of and Uses of Funds
- Definitions and Descriptions
- Low Income Targeting
- Acquisition and Relocation Information
- Public Comments
- Activity Information

## A. Areas of Greatest Need

*Provide summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction.*

*HUD has developed a foreclosure and abandonment risk score to assist grantees in targeting the areas of greatest need within their jurisdictions. Grantees may wish to consult this data, in developing this section of the Substantial Amendment.*

Response:

HUD provided detailed default and foreclosure data for the NSP1 application and updated that information for NSP2. This information shows the vast scope of the foreclosure crisis as it exists in Port St. Lucie.

Included in the data provided by HUD are the following statistics:

- Rate of housing price decline from peak value to December 2008 value was 33.3% (at the time of NSP1 HUD data, the devaluation was listed at 26%).
- Average percent of high cost and low leverage loans made in targeted census tracts from 2004 to 2007 is 15.1%.
- Estimated number of mortgages starting foreclosure process or seriously delinquent in the past 2 years is 13,302.
- Estimated foreclosure and abandonment risk score as calculated by HUD is 20 in every census tract targeted, and in every census tract in the City.

Additional local data gathered from RealtyTrac and local realtors confirms the pervasiveness of the foreclosure problem, as on a single day in May 2009 there were 2,290 homes in the foreclosure process. While these are remarkably large figures in their own right, they are even more striking in a city the size of Port St. Lucie. The City is unique in that it was originally platted with 80,000 individual quarter-acre residential lots. As a result, the foreclosure crisis for this City is not confined to a particular area but is widespread throughout our original core City boundaries.

The City has been focusing on a fairly large piece of this original core area and attempting to purchase, the foreclosed properties on the same block. We are finding, however, that not all abandoned and neglected homes in a given neighborhood or census tract are eligible for purchase. It appears a number of homes have not completed the foreclosure process, while many homes still exceed the purchase prices/values that low income households can afford, and others have fallen through our grasp because of the lower price we were required to offer. .

In order to expend the funding in a timely manner and to best serve the City as a whole, we need to expand our targeted areas to those additional census tracts with the highest foreclosure and vacancy rates, highest percent of high-cost and low-leverage loans, and those census tracts that qualify as low/moderate/middle income. Port St. Lucie has analyzed the new HUD data and local data and utilizing that information has expanded the targeted area by an additional four Census Tracts (16.03, 18.01, 20.03, and 21.04) as listed:

Targeted Census Tracts	
15.03	20.01

16.03	20.02
18.01	20.05
18.02	21.04
20.03	21.05

By designating the targeted area in this manner, the distribution and uses of the NSP 1 funds will meet the requirements of Section 2301 (c)(2) of HERA that funds be distributed to the area of greatest need. The targeted census tracts listed above are shown on the attached map:

[See Targeted Areas Map attached]

## B. Distribution and Uses of Funds:

*Provide a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c) (2) of HERA 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.*

Response:

As noted above, HERA requires that NSP 1 funds be targeted to areas with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified as likely to face a significant rise in the rate of home foreclosures. The City of Port St. Lucie has identified the following census tracts which will be targeted in each of its activities.

The City will purchase, repair/rehabilitate and finance multiple properties on the same street or in the same neighborhood, whenever possible, in an attempt to create a stabilizing effect. The core of the city where the population is most dense and where the data indicate the greatest need will be targeted for assistance. Those census tracts are:

Targeted Census Tracts	
15.03	20.01
16.03	20.02
18.01	20.05
18.02	21.04
20.03	21.05

## C. Definitions and Descriptions:

*The Neighborhood Strategy Program requires the following definitions and descriptions.*

Response:

1. *Blighted Structure.* For the purpose of the NSP 1 the City will consider a blighted structure to be a structure that exhibits objectively determinable signs of deterioration sufficient to constitute a

threat to the human health, safety, or welfare of the public. Port St. Lucie will generally consider a structure as blighted if one of the following criteria is met:

- The structure is open, cannot be secured against entry, and is unsafe or unfit for human occupancy; The unsafe structure is secured against public entry, but it presents a threat to a neighboring property or public right of way (such as a sidewalk) because of a potential collapse or other threat;
- The structure is determined to harbor nuisances and threats to human health, safety or welfare which may negatively impact a neighboring property; or
- The structure presents a visual blight due to collapse or other un-repaired damage, or
- it is determined that repairs will cost more than economically feasible, which, in general would be more than 50%-75% of the appraised value, although mitigating factors may be considered; or
- The structure is lying in a state of incomplete construction, resulting in a negative view of the surrounding properties; or other similar conditions.

**2. Affordable Rents:** Support of rental strategies will be given to proposals (after an RFP process) that benefit low income (50% of the median and below) until the minimum 25% set aside has been met. Port St. Lucie plans to prepare an RFP in order to be able to allocate NSP 1 funds to and/or transfer purchased and rehabbed properties to developer-nonprofits to provide rental housing. We plan to concentrate our efforts on low income clients, at 50% of median or below. Port St. Lucie considers rents for these households to be affordable when household rent payments do not exceed HUD-defined Fair Market Rent Limits and rent payments added to a household utility allowance do not exceed 30% of the family's adjusted income. The table below provides HUD-defined rent limits for Port St. Lucie for 2010-2011. At no point will rental strategies target income groups exceeding 80% of the median income. The City's homeownership rate is much higher than the national average at 79.9% (national average is 65.9%) and any rental strategy provided by an organization that addresses the income groups described above would be appropriate. It is anticipated that we will provide approximately 5 properties for the NSP1 rental program.

**Maximum Rent Limits for 2012**

Efficiency	1 BR	2 BR	3 BR	4 BR
\$754737	\$756739	\$958936	\$1,2661,237	\$1,3051,275

**3. Long Term Affordability of Assisted Homes.** The NSP 1 requires that, to the maximum extent practicable and for the longest term feasible, homes remain affordable. The City proposes to provide a financing subsidy on a sliding scale in accordance with income to assist eligible clients purchase foreclosed properties. The City of Port St. Lucie will promote continued affordability for NSP- assisted properties by requiring, in the terms of the mortgage, that the home be held by the income eligible household for 25 years or a prorated amount of the funding is due back to the program for reuse in NSP eligible activities. These requirements will be detailed in the deferred mortgage loan. Also, by recapturing the funds, in whole or in part, if the home is sold prior to the end of the affordability period will prevent the household from selling the home and realizing an early profit. This will be done through the use of deferred, soft-second loans and small grants not to exceed \$3,000 used only in those cases where the combined loan to value is limited and/or other issues will not allow the City's mortgage to cover all of the closing costs. The deferred loan that

are is recaptured, in whole or in part, if the home is sold prior to the end of the affordability period. NSP 1 funds will be loaned as follows (Exhibit 4)

**Exhibit 4  
Affordability Period and Loan Repayment**

Client income	Subsidy	Affordability Period	Repayment Schedule for Loan
(50% of median) Low income and below	Up to \$40,000 (only the amount of subsidy needed to make the purchase affordable will be utilized)	25 years	The deferred payment loan mortgage term will be 25 years at 0% interest with loan forgiven at the rate of 4% per year for 25 years. Prorated repayment is due if sold prior to the end of the affordability period.
(80% of median income) Moderate Income	Up to \$30,000 (only the amount of subsidy needed to make the purchase affordable will be utilized)	25 years	The deferred payment loan mortgage term will be 25 years at 0% interest with loan forgiven at the rate of 4% per year for 25 years. Prorated repayment is due if sold prior to the end of the affordability period.
(120% of median income) Middle Income	Up to \$20,000 (only the amount of subsidy needed to make the purchase affordable will be utilized)	25 years	The deferred payment loan mortgage term will be 25 years at 0% interest with loan forgiven at the rate of 4% per year for 25 years. Prorated repayment is due if sold prior to the end of the affordability period.

Each year that the assisted property is owned and occupied by eligible households, a proportional amount of NSP loan funding, as shown above, will be forgiven. Should a recipient sell the property prior to the end of the loan period, the outstanding principal balance of NSP 1 dollars will be recaptured by the City of Port St. Lucie and reused in the NSP program.

-It is anticipated that a 25-year deferred loan will also be used to secure any rental properties being transferred to nonprofits or developers administering a rental strategy.

We may also utilize small grants (not to exceed \$3,000) in those cases where the combined loan to value is limited and/or other issues will not allow the City's mortgage to cover all of the closing costs.

**4. Housing Rehabilitation Standards.** Homes rehabilitated with NSP funds will meet the *State of Florida and local building codes*. The rehab standards will comply with all applicable laws and codes for housing safety, quality and habitability. Energy or conservation improvements and modern green building improvements may be included for low income clients. The Community Services Department will adopt the St. Lucie County HOME rehab standards to ensure that appropriate written rehabilitation standards are adopted.

## D. Low Income Targeting:

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned, or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income. **Note:** At least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50 percent of area median income.

### Response:

The NSP requires that 25% of the allocation to each locality be used for housing to assist low income households – households with incomes at or below 50% of median income adjusted for household size. Port St. Lucie is therefore setting aside \$3,380,783 of its grant to:

- \$3,380,783 for purchase, rehab, resale or rent of foreclosed properties for households whose incomes do not exceed 50 percent of area median income.

The City may hold additional funding cycles for low income only or reserve certain homes for low income only in order to ensure a sufficient number of households receive assistance in this income category.

## E. Acquisition and Relocation:

Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income). If so, 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.
- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

### Response:

The City will focus its activities on purchase, rehabilitation and resale or rental of foreclosed homes and limited demolition of blighted properties. The City does not intend to demolish blighted low or moderate income dwelling units owned by low or moderate income homeowners or to convert those dwelling units to other uses. Selective demolition of other foreclosed blighted structures or properties that are not low or moderate income dwellings may be carried out to achieve program objectives. It is the intent to then rebuild single family homes on those lots for eligible clients.

The City estimates that between the start of the program and the year 2012 that the following number of housing units will be made available to homebuyers or eligible renters with the initial appropriation of funds

Activity	< 50% of median	50-80% of median	80%-120% of median
Sales to Homebuyers	38	59	53

NSP 1 funds will be used primarily to acquire vacant foreclosed properties, rehabilitate or demolish those properties and resell or rent to eligible clients as shown above. It is anticipated that approximately 5 properties will be utilized for rental in NSP1.

## F. Public Comment-AMENDMENT

Provide a summary of public comments received to the proposed NSP 1 Substantial Amendment. **Note:** Proposed NSP 1 Substantial Amendment must be published via the usual methods and posted on the jurisdiction's website for no less than 15 calendar days for public comment.

Response:

None

## G. NSP Information by Activity (Complete for each activity)

### ACTIVITY 1

1. **Activity Name:** Purchase and rehabilitate homes that have been foreclosed upon in order to sell or rent such homes

2. **Activity Type:** (include NSP eligible use & CDBG eligible activity)

NSP Eligible Use: (B) Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties.

CDBG Eligible Activity: 24 CFR 570.201 (a) Acquisition, (b) Disposition, (n) Direct homeownership assistance (as modified); 572-202 eligible rehabilitation and preservation activities for homes and other residential properties (HUD notes that rehabilitation may include counseling for those seeking to take part in the activity)

3. **National Objective:** (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e.,  $\leq 120\%$  of area median income).

Low, moderate, middle income housing benefit

4. **Activity Description:** (Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.)

**ACQUISITION:** Estimated Budget \$9,590,280

Foreclosed properties will be identified by the building department and code enforcement staff and selected for purchase from the targeted area described in "Location Description" below. The financial institution(s) who own the properties will be contacted and /or realtor(s) in charge of the sales. The City's legal department will negotiate the purchase at a cost not to exceed 99% of the appraised value of the property (minimum 1% discount from the appraised value; appraisal must have been completed within 60 days of purchase.) Performance Measures below sets out the expected number of homes to be purchased and amount of said purchases that will eventually be sold to households at less than 50% of median. At

least 25% of the funding for this activity will benefit low income households at or below 50% of median income.

**DISPOSITION:** Estimated Budget \$ 256,000

The City plans to advertise the properties and the financial assistance available by income level. We will advertise at least two weeks in advance of the funding cycle and take applications for a period of at least 30 days. All households will be required to fill out applications and their financial status will be verified through third party verifications, a minimum down payment is required by the City. Households will be prequalified for a first mortgage loan (using an estimate of the amount of the City's deferred loan in the prequalification process). The households will be able to select properties on a first come, first served basis for the properties they are prequalified to purchase. Properties receiving rehab will be priced by the realtor before sale to determine the asking price, which will be lower than the total cost of acquisition and rehabilitation. Sale of the homes will be handled by our Legal Department in conjunction with a local title company to be chosen by the buyer or lender. After purchase the costs for maintenance/utilities will be captured here .

Port St. Lucie anticipates that disposition of properties will proceed as follows:

- Properties that do not require rehabilitation will be immediately resold to eligible households – those with incomes less than 120% of median income utilizing the financing mechanism described above.
- Homes that are deteriorated and can be cost-effectively rehabilitated will be renovated prior to disposition and then sold to eligible households or transferred to nonprofits or for profit developer partners after an RFP process.
- Homes that are blighted and cannot be cost-effectively repaired will be demolished (see Activity 2 Demolition). The unimproved vacant properties ~~will~~ may be granted to a nonprofit for redevelopment and use in the a housing program benefiting eligible low and moderate income households or homes will be reconstructed on the properties and they will be sold to eligible households. Priority will be given to nonprofits that benefit low income households.

○ **Performance Measures below sets out the expected number of homes to be purchased and amount of said purchases that will eventually be sold to households at less than 50% of median.**

**REHABILITATION:** Estimated Budget \$2,172,539

The rehabilitation is intended to stimulate repair and maintenance of homes in the neighborhood and arrest disinvestment. The City, with the assistance of Building Department and Office of Management and Budget in coordination with the Community Services Department's existing housing personnel and inspection contractors, will prepare work write ups, cost estimates and bid packages and oversee the rehabilitation. The City will solicit proposals from general contractors and/or trades people such as painters and roofers, to repair the homes. In order to make the home affordable, the city may not recapture all repair assistance for low income clients (50% of median and under.)

*Housing Rehabilitation Standards.* Homes rehabilitated with NSP funds will meet the *State of Florida and local building codes.* The rehab standards will comply with all applicable laws and codes for housing safety, quality and habitability. Energy or conservation improvements and modern green building improvements may be included for low income clients. The Community Services Department will adopt the St. Lucie County HOME rehab standards to ensure that appropriate written rehabilitation standards are adopted.

**5. Location Description:** (Description may include specific addresses, blocks or neighborhoods to the extent known.)

The City will purchase, repair/rehabilitate and finance multiple properties on the same street or in the same neighborhood, whenever possible, in an attempt to create a stabilizing effect. The core of the city where the population is most dense and where the data indicate the greatest need will be targeted for assistance. Those census tracts are:

Targeted Census Tracts	
15.03	20.01
16.03	20.02
18.01	20.05
18.02	21.04
20.03	21.05

**6. Performance Measures:** (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent).

With the initial grant, Port St. Lucie plans to acquire and dispose of 100 units. As program income is received from resale of the homes, additional homes will be purchased.

#### ACQUISITION DISPOSITION AND REHABILITATION

Activity	< 50% of median	50-80% of median	80%-120% of median
Sales to Homebuyers	38	59	53
Estimated funding for acquisition, rehab, and disposition by income level	\$3,380,783	\$5,274,021	\$3,516,015

**7. Total Activity Budget:** (Include public and private components)

\$12,548,280 NSP #1 Funding  
\$ 8,960,000 Lender Financing

**8. Responsible Organization(s):** (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

City of Port St. Lucie  
121 SW Port St. Lucie Blvd.  
Port St. Lucie, FL 34983  
Attn: Tricia Swift-Pollard, Director  
Community Services  
772-871-5284

Fax: 772-344-4340  
Email: TriciaP@cityofpsl.com

Additional partners may be utilized for a variety of functions such as appraisal, title, closing, maintenance, and other real estate services. We will also be issuing an RFP to solicit strategies to develop and administer rental properties and/or additional homeownership strategies with nonprofit or for profit partners with any program income utilized for NSP 1 activities. The City may elect to implement this program through a third party developer contract or as subrecipient contract.

**9. Start Date:** March 1, 2009

\*Start date is contingent upon the date of HUD approval of the Substantial Amendment.

**10. End Date:** March 1, 2012\*

\*The City will obligate all the funds within 18 months. Activities will continue as long as funds are available (additional funds may be allocated to this activity depending upon the success of the resale portion of the NSP 1 program) with continued acquisition/rehabilitation and resale with program income through 2012.

**11. Specific Activity Requirements:**

*For acquisition activities, include: discount rate*

*For home purchases, at least 1% discount from appraisal performed within 60 days of purchase*

*For financing activities, include: range of interest rates*

*0% interest*

*For housing related activities, include:*

- *duration or term of assistance;  
25 years with 4% of the loan forgiven each year the home is maintained as a primary residence.  
Any default including sale of the home will require repayment of the outstanding loan balance.*
- *tenure of beneficiaries—rental or homeownership;  
Homeownership*
- *a description of how the design of the activity will ensure continued affordability*

See Financing Mechanisms above

## ACTIVITY 2

**1. Activity Name:** Demolish blighted structures

**2. Activity Type:** *(include NSP eligible use & CDBG eligible activity)*

NSP Eligible Use: (D) Demolish blighted structures

CDBG Eligible Activity: 24-CFR 570.201(d) Clearance for blighted structures only;

**3. National Objective:** *(Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤120% of area median income).*

Low, moderate, middle, income housing benefit

**4. Activity Description:** *(Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.)*

This activity allows for the demolition of "blighted" structures. The cleared property will be maintained by the City until such time as it can be disposed of to a nonprofit for redevelopment/reconstruction for eligible clients. The City of Port St. Lucie will seek a public or nonprofit partner to redevelop the property and to build a residential home for homeownership or as rental or lease-to-own for households with income at 80% of median income or below.

Where demolition is being considered only because repairs are estimated to exceed 50%-75% of the appraised value, we may consider mitigating factors such as the following:

- structural condition - CBS would be a plus, wood frame may be a minus
- costs after deduction of repairs that are not mandatory (such as shutters when no windows are replaced and/or hookup to sewer when it may not be required).
- if bids are under 50%-75% of appraised value with the deduction of all non-mandatory repairs, then we will proceed with repairs
- 10% cost variance. We will deduct 10% from the estimated repair cost to allow for variance of repair costs due to competitive bidding. For example, if a property is appraised at \$60,000 and the estimate for repairs is \$32,000, then 10% or \$3,200 will be deducted. If the estimate with the 10% variance included is below 50%-75% of appraised value, the property will continue on to receive bids; if not, it will proceed to demolition. If the bids for repairs are less than 50% of appraised value (with the deduction of the cost of non-mandatory repairs) then we will proceed with repairs. If they are between 50%-75% of appraised value we may move forward only if the housing inspector and building department agree. For the purposes of the NSP 1 program we may repair/rehab homes where repairs are in excess of 50% -75% of the appraised value only if the homes are required for low income and/or we have met or exceeded our quota of demolitions for the program.

**5. Location Description:** *(Description may include specific addresses, blocks or neighborhoods to the extent known.)*

The core of the city where the population is most dense and where the data indicate the greatest need will be targeted for this activity. Those census tracts are:

<b>Targeted Census Tracts</b>	
15.03	20.01
16.03	20.02
18.01	20.05
18.02	21.04
20.03	21.05

**6. Performance Measures:** *(e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent).*

**Estimated Units to be Demolished:**

Average Cost to Demolish	Number of Homes	Moderate Income	Low Income
\$9,500	22	5	17

We do not anticipate recapturing the cost of the demolition of these homes. We will ~~may~~ deed the properties to a nonprofit such as Habitat for Humanity after an RFP process for housing redevelopment/reconstruction strategies, or we may reconstruct homes on these lots and resell to eligible applicants. We may also provide the same housing assistance based on income to eligible clients utilizing the same mortgage provisions and forgiveness as detailed in Exhibit 4. Any program income received will be utilized for eligible NSP activities.

**7. Total Activity Budget:** *(Include public and private components)*

\$152,000. Funds for this activity will be used to demolish blighted properties.

**8. Responsible Organization(s):** *(Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)*

City of Port St. Lucie  
 121 SW Port St. Lucie Blvd.  
 Port St. Lucie, FL 34983  
 Attn: Tricia Swift-Pollard, Director  
 Community Services Department  
 772-871-5284  
 Fax: 772-344-4340  
 Email: TriciaP@cityofpsl.com

**9. Start Date:** March 1, 2009\*

\*Start date is contingent upon the date of HUD approval of the Substantial Amendment.

**10. End Date:** March 1, 2012\*

\*The City will obligate all the funds within 18 months. If undertaken, activities will continue as long as funds are available.

**11. Specific Activity Requirements:**

*For acquisition activities, include discount rate*

*Not applicable*

*For financing activities, include range of interest rates*

*Not Applicable*

*For housing related activities, include:*

- *duration or term of assistance;*  
*Not applicable.*
- *tenure of beneficiaries—rental or homeownership;*  
*Not applicable.*
- *a description of how the design of the activity will ensure continued affordability*

*Not applicable*

No specific activity requirements for demolition activities

Properties to be cleared must meet the NSP definition of “blighted” structure.

### ACTIVITY 3

**1. Activity Name:** NSP Administration

**2. Activity Type:** *(include NSP eligible use & CDBG eligible activity)*

NSP Eligible Use – An amount of up to 10% of the NSP grant provided to jurisdictions and of up to 10% of program income earned may be used for general administration and planning activities as those described in 24 CFR 570.205 and 206.

CDBG Eligibility: 24 CFR 570.206

Pre-award Costs: A grantee may incur pre-award costs necessary to develop the NSP Application and undertake other administrative and planning actions necessary to receive the NSP grant, in compliance with 24 CFR 570.200(h)

**3. National Objective:** *(Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).*

Administration is exempt from meeting a national objective.

**4. Activity Description:** *(Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.)*

This activity will provide the general administration and planning activities required to receive NSP 1 funding and implement a successful NSP program, including preparation of the substantial amendment, required noticing, monitoring, financial reporting, and other required administrative tasks. It will also cover the following activities:

- Oversight and management to ensure compliance with federal regulations
- Legal Department oversight and management of real estate transactions

This activity will not be used to meet the low income housing requirement for those below 50% of area median income.

**5. Location Description:** *(Description may include specific addresses, blocks or neighborhoods to the extent known.)*

Not applicable

**6. Performance Measures** *(e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):*

The City of Port St. Lucie will complete necessary planning activities to receive NSP funds; 100% of NSP funds will be accurately administered.

**7. Total Budget:** (Include public and private components)

\$1,352,313 from initial NSP 1 allocation plus 10 percent of program income. See Table 1 for overall NSP 1 budget breakdown.

**8. Responsible Organization:** (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

City of Port St. Lucie  
121 SW Port St. Lucie Blvd.  
Port St. Lucie, FL 34983  
Attn: Tricia Swift-Pollard, Director  
Community Services  
772-871-5284  
Fax: 772-344-4340  
Email: TriciaP@cityofpsl.com

Additional partners will be utilized for a variety of functions (preparation of substantial amendment, ongoing monitoring, etc.)

**9. Projected Start Date:** September 29, 2008 (Federal Register, Vol. 73, No. 194, II. C. allows reimbursement for pre-award costs)

**10. Projected End Date:** The City will obligate all funds within 18 months. Activities will continue through 2012; however, monitoring of projects will continue indefinitely

**11. Specific Activity Requirements:**

*For acquisition activities, include discount rate*

*For financing activities, include range of interest rates*

*For housing related activities, include:*

- *duration or term of assistance;*
- *tenure of beneficiaries—rental or homeownership;*
- *a description of how the design of the activity will ensure continued affordability*

No specific activity requirements for administration activities.

Appendix 1

SUMMARY OF CITIZEN COMMENTS  
CITY COUNCIL MEETING

COMMENTS

PORT ST. LUCIE CITY COUNCIL  
Agenda Item Request

MEETING: CITY COUNCIL Regular  Special

DATE: February 27, 2012

Public Hearing  Ordinance  Resolution  Motion

ITEM: Neighborhood Stabilization Program -3 (NSP 3).

RECOMMENDED ACTION: After the public hearing, staff recommends a motion for approval of the proposed revised plan/amendment for NSP 3.

EXHIBITS: Memo with Draft Plan/Amendment.

SUMMARY EXPLANATION/BACKGROUND INFORMATION: Council approved the original NSP3 plan in February 2011. This is the first plan amendment for NSP3, it provides:

- Technical changes to comply with HUD requirements for FHA loans. We are working with the state to leverage bond, deferred-loan financing, which will be the second mortgage, averaging \$2,700. The City's deferred loan will provide the remaining funds needed for gap financing as a third mortgage. As a result, we took out references to the City providing a second mortgage.
- Updated the plan to show revised income and rent tables, where appropriate, and listed where to find updated program income information.
- Revised the plan to allow for small grants (not to exceed \$3,000) in those cases where the combined loan to value is limited and/or other issues will not allow the City's mortgage to cover all of the closing costs for the client.
- Increased the size of the target area. The east, west and southern boundaries remain the same; however, the northern boundary would be extended from Eyerly to Prima Vista. A map of the proposed targeted area is attached to the NSP Amendment. We are behind in our projections for home purchases due to the slowing of the foreclosure process and we will increase the number of foreclosed homes available for purchase by increasing the size of our target area.

IF PRESENTATION IS TO BE MADE, HOW MUCH TIME WILL BE REQUIRED?

Director will be available for Questions

SUBMITTING DEPARTMENT: Community Services DATE: 2/14/12

## 1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Swift-Pollard, Tricia
Email Address	TriciaP@cityofpsl.com
Phone Number	772-871-5284
Fax Number	772-344-4340
Mailing Address	City of Port St. Lucie, 121 SW Port St. Lucie Blvd, Port St. Lucie, FL 34984
	Web Address: www.cityofpsl.com

## 2. Areas of Greatest Need

### Map Submission

The map generated at the HUD NSP3 Mapping Tool for Preparing Action Plan website is included as an attachment.

See Attachment A

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

Describe the data sources used to determine the areas of greatest need.
<p>Response:</p> <p>In order to meet the requirements of Section 2301©(2) of HERA 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 related loan, and likely to face a significant rise in the rate of home foreclosure we reviewed data provided by HUD, Realtytrac and the St. Lucie County Clerk of the Court as well as NSP 1 data on foreclosure purchase offers and sales.</p> <p>HUD provided detailed default, foreclosure and marketing data for area census tracts, block groups and even user defined neighborhoods within or between those areas with its NSP3 mapping tool. The City was able to use this information to compare neighborhoods to see if any of them exhibited higher needs than others. We were also able to look at foreclosure statistics through Realtytrac and data from the Clerk of the Court and use that data to forecast areas where there might be a sufficient amount of foreclosures available in order to make an impact with the amount of funding allocated to us for NSP-3.</p> <p>Since the foreclosure crisis in Port St. Lucie extends all over the City, we also had to look at the number of homes that were available for purchase in price ranges that would allow for future ownership by low/mod/middle households in the areas we were considering. For this information we looked to our own NSP-1 program for numbers of homes acquired in each of the census tracts and block groups listed as the "areas of greatest need."</p> <p>See Attachment B</p>

### 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:

As indicated above, Port St. Lucie's areas of greatest need were established after consideration was given to recent data descriptions of neighborhoods and amount of funding already distributed in targeted areas through NSP-1 funding and review of Realtytrac data, local realtor data and Clerk of the Court information developed during implementation of NSP1. Market conditions as a whole have changed somewhat since data was prepared for NSP1. Single family home market values continue to decline although at a slower pace. We anticipate a 10% decline in home values for last year and a 5% decline in the coming year as values begin to stabilize. Data descriptions considered included Neighborhood NSP3 Score (must be 20 for our purposes) total housing units in the neighborhood, the impact number, economic stability of the block groups being considered, the home values and rate of home value depreciation. With a score of 20 these block groups with a score of 20 had the highest rates of foreclosures, delinquencies and subprime loans than as compared to other tracts in the City.

—Another consideration from lessons learned in NSP 1 is was resale. The census tract originally selected is was 2005 Block Group 2. This area is in the core area of the City where there is a mix of housing units. This block group was heavily developed during the boom years and has contains a good mix of old and new homes of varying sizes on each street. It has some of the highest foreclosure numbers per capita in the city, yet is a good combination of old and new housing units. We should be able to easily purchase and resell to all income groups in this neighborhood.

HUD data provides a target number of homes that should be purchased by grantees in order to make an "impact" on the neighborhood. This number for census tract 2005 block group 2 is was 53 homes. We anticipated being able to reach that target number by utilizing a mix of NSP3 funding and NSP 1 program income. We have also counted the number of homes already purchased in the area, as the census tract as a whole was designated as part of a larger target area under NSP 1. We anticipated being able to purchase an additional 39 homes with the combined funds from the two NSP programs; we have had already purchased 14 homes in CT 2005-2 previously. The total amount will would have provided us with the 53 homes anticipated to be purchased in the target area. Therefore, we should have been able to realistically meet our impact goal. The area includes lower and moderate value homes which will give the program the ability to provide all homeownership and rental options envisioned.

As anticipated, there are many vacant homes in CT 2005-2, and many of those homes are in foreclosure and have been in foreclosure for some time. The reality is that many of those foreclosures stalled as a result of problems with the legal firms processing those files; others were delayed because lenders wanted to slow down the process and sell some of the homes before they acquired others. The City of Port St. Lucie has purchased six homes under NSP3, is waiting for contracts on two others and has a few other homes that may be available in the near future. But it has been a slow process; there are not many houses in the neighborhood that can be fixed up and sold to low, moderate and middle income households. We need more choices and more houses that have already gone through the foreclosure process. For this reason, we are expanding our targeted area to include census tract 2005-1, an area directly North of our current targeted area but still in the core of the city and still high in foreclosures. We anticipate that a larger targeted area will allow us to meet our original goals for NSP3.

The new area will be described as Census Tract 2005 which now consists of the 2010 Census Tract numbers 3820.07 and 3820.08 and includes the following area in Port St. Lucie:

bordered on the west by Florida's Turnpike, on the north by Prima Vista Blvd., on the east by Airoso Blvd. and on the south by Port St. Lucie Blvd.

The targeted area excludes homes located along busy streets such as Airoso, Bayshore or Prima Vista and in commercial or conversion areas or unincorporated county.

It is not our intent to establish a tiered approach to determine the distribution of funding to prospective homeowners as we are only contemplating working with one block group.

### 3. Definitions and Descriptions

#### Definitions

Term	Definition
Blighted Structure	<p><b>Blighted Structure.</b> For the purpose of the NSP the City will consider a blighted structure to be a structure that exhibits objectively determinable signs of deterioration sufficient to constitute a threat to the human health, safety, or welfare of the public. Port St. Lucie will generally consider a structure as blighted if one of the following criteria is met:</p> <ul style="list-style-type: none"> <li>• The structure is open, cannot be secured against entry, and is unsafe or unfit for human occupancy; the unsafe structure is secured against public entry, but it presents a threat to a neighboring property or public right of way (such as a sidewalk) because of a potential collapse or other threat;</li> <li>• The structure is determined to harbor nuisances and threats to human health, safety or welfare which may negatively impact a neighboring property; or</li> <li>• The structure presents a visual blight due to collapse or other un-repaired damage, or</li> <li>• It is determined that repairs will cost more than economically feasible, which, in general would be more than 50% - 75% of the appraised value, although mitigating factors may be considered; or</li> <li>• The structure is lying in a state of incomplete construction, resulting in a negative view of the surrounding properties; or other similar conditions.</li> </ul>
Affordable Rents and Rental Housing Preferences	<p><b>Affordable Rents:</b> Compliance with Rental Housing Preferences: preference for support of rental strategies will be given to proposals (after an RFP process) that benefit low income (50% of the median and below) until the minimum 25% set aside has been met. Port St. Lucie plans to prepare an RFP in order to be able to allocate NSP funds to and/or transfer purchased and rehabbed properties to developer nonprofits to provide rental housing. We plan to concentrate our efforts on low income clients, at 50% of median or below. Port St. Lucie considers rents for these households to be affordable when household rent payments do not exceed HUD-defined Fair Market Rent Limits and rent payments added to a household utility allowance do not exceed 30% of the family's adjusted income. The table below provides HUD-defined rent limits for Port St. Lucie for 2010-</p>

	<p>2011-2012.</p> <p>At no point will rental strategies target income groups exceeding 80% of the median income. The City's homeownership rate is much higher than the national average at 79.9% (national average is 65.9%) and any rental strategy provided by an organization that addresses the income groups described above would be appropriate.</p> <p style="text-align: center;"><b>Maximum Rent Limits</b></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Efficiency</th> <th>1 BR</th> <th>2 BR</th> <th>3 BR</th> <th>4 BR</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$754737</td> <td style="text-align: center;">\$756739</td> <td style="text-align: center;">\$958936</td> <td style="text-align: center;">\$1,2661,237</td> <td style="text-align: center;">\$1,3051,275</td> </tr> </tbody> </table>	Efficiency	1 BR	2 BR	3 BR	4 BR	\$754737	\$756739	\$958936	\$1,2661,237	\$1,3051,275
Efficiency	1 BR	2 BR	3 BR	4 BR							
\$754737	\$756739	\$958936	\$1,2661,237	\$1,3051,275							

**Descriptions**

Term	Definition								
Long-Term Affordability	<p>The NSP requires that the City provide for the continued affordability of homes purchased, rehabbed and resold under the program "to the maximum extent practicable and for the longest term feasible." The City proposes to provide a financing subsidy on a sliding scale in accordance with income to assist eligible clients purchase foreclosed properties. We will promote continued affordability for NSP-assisted properties by requiring, in the terms of our deferred interest-free mortgage, that the home be held by the income eligible household, or the developer (in the case of rental units occupied by income eligible households) for 25 years; otherwise a prorated amount of the funding is due back to the program for reuse in NSP-eligible activities. These requirements will be detailed in the deferred mortgage for direct loans to borrowers or in a deed restriction for developers. Also, recapturing the funds, in whole or in part, if the home is sold prior to the end of the affordability period will prevent the household from selling the home and realizing an early profit. NSP funds will be loaned as follows:</p> <p style="text-align: center;"><b>Affordability Period and Loan Repayment</b></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Client income</th> <th>Subsidy</th> <th>Affordability Period</th> <th>Repayment Schedule for Loan</th> </tr> </thead> <tbody> <tr> <td>(50% of median) Low income and below</td> <td>Up to \$40,000 (only the amount of subsidy needed to make the purchase affordable will be utilized)</td> <td>25 years</td> <td>The deferred payment loan mortgage term will be 25 years at 0% interest with loan forgiven at the rate of 4% per year for 25 years. Prorated repayment is due if</td> </tr> </tbody> </table>	Client income	Subsidy	Affordability Period	Repayment Schedule for Loan	(50% of median) Low income and below	Up to \$40,000 (only the amount of subsidy needed to make the purchase affordable will be utilized)	25 years	The deferred payment loan mortgage term will be 25 years at 0% interest with loan forgiven at the rate of 4% per year for 25 years. Prorated repayment is due if
Client income	Subsidy	Affordability Period	Repayment Schedule for Loan						
(50% of median) Low income and below	Up to \$40,000 (only the amount of subsidy needed to make the purchase affordable will be utilized)	25 years	The deferred payment loan mortgage term will be 25 years at 0% interest with loan forgiven at the rate of 4% per year for 25 years. Prorated repayment is due if						

				sold prior to the end of the affordability period.
	(80% of median income) Moderate Income	Up to \$30,000 (only the amount of subsidy needed to make the purchase affordable will be utilized)	25 years	The deferred payment loan mortgage term will be 25 years at 0% interest with loan forgiven at the rate of 4% per year for 25 years. Prorated repayment is due if sold prior to the end of the affordability period.
	(120% of median income) Middle Income	Up to \$20,000 (only the amount of subsidy needed to make the purchase affordable will be utilized)	25 years	The deferred payment loan mortgage term will be 25 years at 0% interest with loan forgiven at the rate of 4% per year for 25 years. Prorated repayment is due if sold prior to the end of the affordability period.
	<p>Each year that the assisted property is owned and occupied by eligible households or by the loan recipient, a proportional amount of NSP funding, as shown above, will be forgiven. Should a recipient sell the property prior to the end of the loan period, the outstanding principal balance of NSP dollars will be recaptured by the City of Port St. Lucie and reused in the NSP program.</p> <p><u>In addition to the mortgages, we may utilize small grants of up to \$3,000 from NSP or SHIP funds in those cases where the combined loan to value is limited and/or other issues will not allow the City's mortgage to cover all of the closing costs in excess of our required minimum of \$500.</u></p>			
Housing Rehabilitation Standards	Homes rehabilitated with NSP funds will meet the <i>State of Florida and local building codes</i> . The rehab standards will comply with all applicable laws and codes for housing safety, quality and habitability. Energy or conservation improvements and modern green building improvements will be included. Rehabilitation proposals, to the extent applicable, will include replacement of older obsolete products and appliances with Energy Star-46 labeled products. Water efficient toilets, showers, and faucets will be installed where these items are replaced. All housing will be upgraded for hurricane mitigation to the extent practical. All new construction of			

	residential buildings (designed for redevelopment activities) will be designed to meet the standard for Energy Star Qualified New Homes. No high-rise rehab or reconstruction is contemplated. The Community Services Department has adopted and revised the St. Lucie County HOME rehab standards to ensure that appropriate written rehabilitation standards are adopted. A copy of those standards may be requested from the Department of Community Services, City of Port St. Lucie.
Vicinity Hiring	The City of Port St. Lucie 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. A list will be prepared of all small businesses with occupational licenses in the NSP3 project area. That list will be made available to every contractor bidding on repair/rehab of NSP properties and they will be encouraged to hire those businesses as needed. All contractors will be encouraged to provide listings of job availability at the job site and to provide door hangers of job availability for the neighborhood residents to better target local residents in hiring.

#### 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.

<b>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.</b>
Response: Total low-income set-aside <b>percentage</b> (must be no less than 25 percent): 25.00% Total funds set aside for low-income individuals = \$878,878.00

##### Meeting Low-Income Target

<b>Provide a summary that describes the manner in which the low-income targeting goals will be met.</b>
We plan to utilize several strategies to ensure that we are able to comply with the 25% set aside for funding for low income housing as follows: <ol style="list-style-type: none"> <li>1. First we will target acquisition of homes in the appropriate price range for each income level, providing higher amounts of purchase assistance/principal buy down funding to the lowest income category. This will better enable them to reach the debt/income ratios and qualify for the first mortgage loan.</li> <li>2. We will be going out for an RFP with both the NSP3 and NSP1 programs that will request proposals from developers for rental strategies to assist us in reaching low income households. Meetings have already been held with organizations that house working poor, Safespace and Habitat to discuss ways to help these groups of rental candidates.</li> <li>3. Also, we will be requesting proposals from nonprofits regarding low income homeownership strategies.</li> </ol>

4. Finally, we will be tracking this funding by income group in our existing NSP spreadsheets in order to quantify our percentages on a daily basis and to keep track of the funds utilized in each strategy and for each income group. We will open funding cycles for low income only when it becomes necessary to attract more clients for this strategy.

## 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)?	Yes
---	-----

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.	46
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).	6
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	43

## 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:

An advertisement was placed in the local newspapers, including the Spanish-speaking paper, the City TV Channel 20 and posted on the City website regarding the availability of the plan for public review, and the date and time of the public hearing. The original plan was posted on the City's website beginning January 20, and was available for review until submission on February 26, 2011. We advertised the revised plan in the local newspaper, on TV Channel 20 and posted information on the City's website. The revised plan was posted on the website beginning February 14, 2012 and was available for review until submission on March 1, 2012.

### Summary of Public Comments Received.

The summary of public comments received, if applicable, is included as an attachment.

See Attachment C

### 7. NSP Information by Activity

Enter each activity name and fill in the corresponding information. If you have fewer than seven activities, please delete any extra activity fields. (For example, if you have three activities, you should delete the tables labeled "Activity Number 4," "Activity Number 5," "Activity Number 6," and "Activity Number 7." If you are unsure how to delete a table, see the instructions [above](#).

The field labeled "Total Budget for Activity" will populate based on the figures entered in the fields above it.

Consult the [NSP3 Program Design Guidebook](#) for guidance on completing the "Performance Measures" component of the activity tables below.

Activity Number 1	
<b>Activity Name</b>	Acquisition and Rehabilitation, Demolition and Redevelopment
<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 type="checkbox"/> Eligible Use C: Land Banking <input checked="" type="checkbox"/> Eligible Use D: Demolition <input type="checkbox"/> <input checked="" type="checkbox"/> Eligible Use E: Redevelopment <input type="checkbox"/>
<b>CDBG Activity or Activities</b>	24 CFR 570.201 (a) Acquisition, (b) Disposition; 24 CFR 570.202 Eligible Rehabilitation for homes and other residential properties.
<b>National Objective</b>	Low, moderate, middle income housing benefit.
<b>Activity Description</b>	<b>Purchase/Rehab:</b> The City plans to purchase and rehabilitate foreclosed homes and provide them for resale to eligible clients utilizing a grantee-driven homeownership program. We will reserve a small amount of funding for a pilot buyer-driven homeownership program where eligible buyers can purchase (from the lender) a foreclosed home that does not need substantial repair. Deferred interest-free mortgages will be provided to assist in making the homes affordable. We will also provide funding for or transfer rehabbed properties to nonprofit developers through an RFP process soliciting both rental and homeownership strategies. A minimum of 53 units will be acquired and rehabilitated or demolished/reconstructed for income levels up to 120% of the median in targeted neighborhoods utilizing NSP 3 and NSP 1 funding and NSP 1 program income in the targeted NSP 3 area. At least 25% of initial NSP 3 funding will benefit 50% of the median or below. It is anticipated that 45 units will be resold for homeownership, 6 units are projected for demolition and 2 units are anticipated to be utilized as rentals. It is our intent to amend our NSP 1 plan to allow for rental units to be authorized under the NSP 1 program as well as NSP 3.

	<p>Compliance with Rental Housing Preferences: preference for support of rental strategies will be given to proposals (after an RFP process) that benefit low income (50% of the median and below) until the minimum 25% set aside has been met. Port St. Lucie plans to prepare an RFP in order to be able to allocate NSP funds to and/or transfer purchased and rehabbed properties to developer nonprofits to provide rental housing. We plan to concentrate our rental efforts and strategies on low income clients, at 50% of median or below.</p> <p>The City of Port St. Lucie 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. A list will be prepared of all small businesses with occupational licenses in the NSP3 project area. A list of those small businesses will be made available to every contractor bidding on repair/rehab of NSP properties and they will be encouraged to hire those businesses as needed. All contractors will be encouraged to provide listings of job availability at the job site and to provide door hangers of job availability for the neighborhood residents to better target local residents in hiring</p> <p><b>Demolition:</b> Also included here is <del>\$71,639</del> \$63,959 (on spreadsheet) in funding for demolition of housing that will be reconstructed through an RFP process for subrecipients/developers/contractors to build new homes on the original or similar footprint that fit the neighborhoods for low and moderate, and/or middle income clients. Of the six demolitions anticipated, we project 4-3 will be for low income clients and 2 will be for moderate income clients and one for middle income. Of the \$71,639, only \$31,639 will come from NSP 3 the remainder will be from NSP 1 funds or NSP 1 program income. We anticipate that all 6 of the units demolished will be low/moderate income dwelling units and we anticipate that at least 5 of those units will be reconstructed for low/moderate income clients. We have budgeted \$470,000 to cover rebuilding of homes on those lots or, if needed, for homes to be rebuilt on NSP1 lots in the NSP3 targeted area. We will also provide second mortgage assistance in the form of deferred loans outlined under long-term affordability above to eligible clients for home purchase assistance.</p>																			
<b>Location Description</b>	Census Tract 2005, Block Group 2																			
<b>Budget</b>	<table border="1"> <thead> <tr> <th data-bbox="527 1543 966 1575">Source of Funding</th> <th data-bbox="966 1543 1490 1575">Dollar Amount</th> </tr> </thead> <tbody> <tr> <td data-bbox="527 1575 966 1606">NSP3</td> <td data-bbox="966 1575 1490 1606">\$3,163,959</td> </tr> <tr> <td data-bbox="527 1606 966 1638">NSP1</td> <td data-bbox="966 1606 1490 1638">\$1,270,000</td> </tr> <tr> <td data-bbox="527 1638 966 1690">(NSP 1 Program Income)</td> <td data-bbox="966 1638 1490 1690">\$1,137,400</td> </tr> <tr> <td data-bbox="527 1690 1490 1722"><b>Total Budget for Activity</b></td> <td data-bbox="527 1690 1490 1722"><b>\$5,349,720</b></td> </tr> <tr> <td data-bbox="186 1722 527 1753"><b>Performance Measures</b></td> <td data-bbox="527 1722 1490 1753">See Attachment D</td> </tr> <tr> <td data-bbox="186 1753 527 1785"><b>Projected Start Date</b></td> <td data-bbox="527 1753 1490 1785">April 2011</td> </tr> <tr> <td data-bbox="186 1785 527 1827"><b>Projected End Date</b></td> <td data-bbox="527 1785 1490 1827">April 2014 (except for ongoing program income)</td> </tr> <tr> <td data-bbox="186 1827 527 1906" rowspan="2"><b>Responsible Organization</b></td> <td data-bbox="527 1827 1490 1869"><b>Name</b> City of Port St. Lucie</td> </tr> <tr> <td data-bbox="527 1869 1490 1906"><b>Location</b> 121 SW Port St. Lucie Blvd., Port St.</td> </tr> </tbody></table>	Source of Funding	Dollar Amount	NSP3	\$3,163,959	NSP1	\$1,270,000	(NSP 1 Program Income)	\$1,137,400	<b>Total Budget for Activity</b>	<b>\$5,349,720</b>	<b>Performance Measures</b>	See Attachment D	<b>Projected Start Date</b>	April 2011	<b>Projected End Date</b>	April 2014 (except for ongoing program income)	<b>Responsible Organization</b>	<b>Name</b> City of Port St. Lucie	<b>Location</b> 121 SW Port St. Lucie Blvd., Port St.
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	<b>Location</b> 121 SW Port St. Lucie Blvd., Port St.																			

	Lucie, FL, 34984
<b>Administrator Contact Info</b>	Tricia Swift-Pollard, TriciaP@cityofpsl.com, Phone 772-871-5284

Activity Number 2		
<b>Activity Name</b>	Planning and Administration	
<b>Use</b>	Select all that apply: <input type="checkbox"/> Eligible Use A: Financing Mechanisms <input type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation <input type="checkbox"/> Eligible Use C: Land Banking <input type="checkbox"/> Eligible Use D: Demolition <input type="checkbox"/> Eligible Use E: Redevelopment	
<b>CDBG Activity or Activities</b>	Planning and Administration of NSP3 funding 24 CFR 570.206	
<b>National Objective</b>	Administration is exempt from meeting a national objective.	
<b>Activity Description</b>	Planning and Administration of NSP 3 program.	
<b>Location Description</b>	Census Tract, 2005, Block Group 2	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$351,550
	(Other funding source)	\$
	(Other funding source)	\$
<b>Total Budget for Activity</b>	\$351,550	
<b>Performance Measures</b>	N/A	
<b>Projected Start Date</b>	April 2011	
<b>Projected End Date</b>	April 2014	
<b>Responsible Organization</b>	<b>Name</b>	City of Port St. Lucie
	<b>Location</b>	121 SW Port St. Lucie Blvd., Port St. Lucie, FL 34984
	<b>Administrator Contact Info</b>	Tricia Swift-Pollard, Phone 772-871-5284; Email: TriciaP@cityofpsl.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.

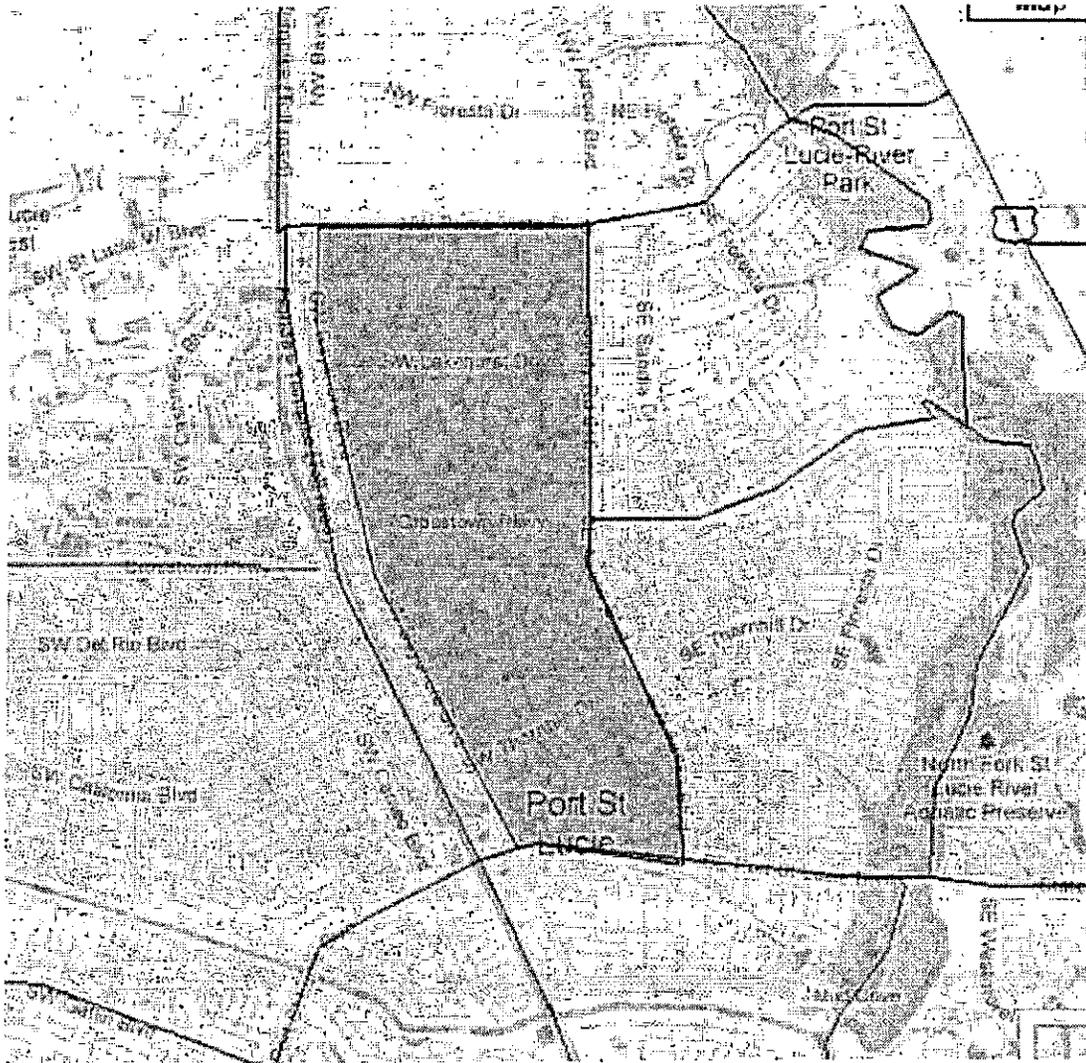
\_\_\_\_\_  
Signature/Authorized Official

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

ATTACHMENT A

NSP3-TARGETED AREA MAP  
CENSUS TRACT 2005



Neighborhood ID: 6033935

ATTACHMENT B

### NSP3 Planning Data

Grantee ID: 1225860E,1211100C

Grantee State: FL

Grantee Name: PORT ST LUCIE, ST. LUCIE COUNTY

Grantee Address:

Grantee Email: PatS@cityofpsl.com

Neighborhood Name: Target Area CT 2005

Date: 2011-10-19 00:00:00

#### NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have 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 twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 20

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 4624

#### Area Benefit Eligibility

Percent Persons Less than 120% AMI: 71.52

Percent Persons Less than 80% AMI: 47.33

#### Neighborhood Attributes (Estimates)

##### *Vacancy Estimate*

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current or potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example, if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 4633

Residential Addresses Vacant 90 or more days (USPS, March 2010): 297

Residential Addresses NoStat (USPS, March 2010): 59

### Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 3340

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 34.8

Percent of Housing Units 90 or more days delinquent or in foreclosure: 22.9

Number of Foreclosure Starts in past year: 473

Number of Housing Units Real Estate Owned July 2009 to June 2010: 141

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 95

### Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -47.5

Place (if place over 20,000) or county unemployment rate June 2005: 3.51

Place (if place over 20,000) or county unemployment rate June 2010: 12.51

Bureau of Labor Statistics Local Area Unemployment Statistics

### Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment: Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy: Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy: Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising: A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market: Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

### Latitude and Longitude of corner points

-80.371513 27.317637 -80.349884 27.317637 -80.349541 27.296588 -80.349884 27.293994 -80.342674  
27.280569 -80.341988 27.272940 -80.353489 27.274466 -80.355206 27.274161 -80.366879 27.293232  
-80.371685 27.310926

Blocks Comprising Target Neighborhood

ATTACHMENT C  
PUBLIC COMMENTS

ATTACHMENT D PERFORMANCE MEASUREMENTS ACTIVITY 1 ELIGIBLE USE B: ACQUISITION/REHABILITATION/DISPOSTION					
Goals	Outputs/Measures	Low	Mod	Mdl	Outcomes
		Income			
Improve property appearance in targeted neighborhood.	Purchase approximately 53 foreclosed properties. Maintain/repair/demolish/reconstruct/ resell or transfer to nonprofit for rental.	13	21	19	Visible improvement on streets within neighborhood. Increase in repairs and improvement in deferred maintenance of private properties near NSP homes.
Reduce vandalism in targeted neighborhood	Put blinds in windows once home is purchased (unless it will be demolished), provide regular inspections, mitigate for vandalism (wood blocks in sliders; bolt locks installed where needed) and provide outside maintenance until repaired and sold, or transferred to nonprofit for rental program or demolished/reconstructed.	13	21	19	Reduce vandalism of vacant NSP properties
Increase homeownership in targeted neighborhood	Provide 51 deferred loans for mortgage assistance for homebuyers including reconstructed properties.	11	21	19	Increase homeownership in neighborhood.
Remove blighting influence and vacant foreclosed properties	Purchase, demolish and reconstruct 6 blighted properties. Resell to low/moderate income clients through nonprofit subrecipients/developers.	4	2		Slow housing value decline in targeted neighborhood, improve health and safety by removing blighting influence and reconstructing new single-family homes.
Increase rental opportunities for low income	Of the 53 properties to be purchased, provide two properties for rental through RFP to nonprofits.	2			Increase rental units for low income