

NSP 3 Substantial Amendment

City of Jacksonville, Florida (Duval County)

January 2011

NSP Contact Information:

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Application for Federal Assistance (SF-424 Forms)

APPLICATION FOR FEDERAL ASSISTANCE		Version 7/03
1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		2. DATE SUBMITTED 2/15/11
Pre-application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		3. DATE RECEIVED BY STATE
5. APPLICANT INFORMATION		4. DATE RECEIVED BY FEDERAL AGENCY
Legal Name: City of Jacksonville		Applicant Identifier
Organizational DUNS: 0040076998		State Application Identifier
Address: Street: 214 N. Hogan Street, Suite 800		Federal Identifier
City: Jacksonville		Organizational Unit: Department: Housing and Neighborhoods Department
County: Duval		Division: Office of the Director
State: Florida		Name and telephone number of person to be contacted on matters involving this application (give area code)
Zip Code: 32202		Prefix: Mrs.
Country: USA		First Name: Wight
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 59-6000344		Middle Name: S
8. TYPE OF APPLICATION: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.)		Last Name: Greger
Other (specify)		Suffix:
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): Neighborhood Stabilization Program 3		Email: wgreger@coj.net
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): Duval		Phone Number (give area code) 904 255-8204
13. PROPOSED PROJECT Start Date: 4/1/11		Fax Number (give area code) 904 255-8285
Ending Date: 4/1/14		7. TYPE OF APPLICANT: (See back of form for Application Types) County (Urban) Other (specify)
15. ESTIMATED FUNDING:		9. NAME OF FEDERAL AGENCY: U.S. Department of Housing and Urban Development
a. Federal	\$ 7,102,937. ⁰⁰	11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: 1) Establish financing mechanisms 2) Purchase and rehabilitate foreclosed properties 3) Establish land banks 4) Demolish blighted structures 5) Redevelop demolished or vacant properties
b. Applicant	\$. ⁰⁰	14. CONGRESSIONAL DISTRICTS OF: a. Applicant Congressional District 3
c. State	\$. ⁰⁰	b. Project Congressional District 3
d. Local	\$. ⁰⁰	16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS? a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE: b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372 <input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW
e. Other	\$. ⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No
f. Program Income	\$. ⁰⁰	18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.
g. TOTAL	\$ 7,102,937. ⁰⁰	a. Authorized Representative Prefix Mr. First Name John Middle Name Suffix
b. Title Mayor		c. Telephone Number (give area code) 904 630-1776
d. Signature of Authorized Representative <i>Kevin Stewart</i>		e. Date Signed 1/25/11
Previous Edition Usable Authorized for Local Reproduction		Standard Form 424 (Rev. 9-2003) Prescribed by OMB Circular A-102



**CITY OF JACKSONVILLE
DUVAL COUNTY
THE NSP3 SUBSTANTIAL AMENDMENT**

Jurisdiction(s): <u>City of Jacksonville</u>	NSP Contact Person: Wight Greger Director Housing & Neighborhoods 214 N. Hogan Street, 8th Floor Jacksonville, FL 32202 Telephone(904) 255-8200 Fax: (904) 255-8285 Email: wgreger@coj.net
Jurisdiction Web Address: http://www.coj.net/Departments/Housing+and+Neighborhoods/default.htm	

A. Areas of Greatest Need

Pursuant to the Dodd-Frank Act of 2010, the City of Jacksonville/Duval County reviewed several possible areas utilizing the required HUD Foreclosure Need Website. Jacksonville continues to be adversely impacted by the foreclosure crisis. The high rate of Jacksonville foreclosures succeeded in vaulting the city to a #17 ranking on the list of cities nationwide with the highest foreclosure rates in May 2010, up 23 positions from its #40 ranking just one month earlier. RealtyTrac reported the jump, with one analyst saying that while Florida's markets are generally more volatile due to the state's judicial foreclosure system, it is unusual to see such a marked change in one month. May 2010 was the first month that Jacksonville was in RealtyTrac's Top 20 U.S. cities with the highest rates of foreclosure. In May 2010, the Jacksonville metro area jumped 57 percent from April 2010, and 42 percent from May of 2009. Jacksonville had 2,805 foreclosure filings in March 2010 and the foreclosure rate dipped to 2,415 filings in April 2010. Jacksonville foreclosure filings in May jumped to 3,789, the highest by far in 2010.

In addition, recent data from the Real Estate Strategy Center of North Florida shows that 95 percent of the homes sold in Jacksonville went for less than their original purchase price.

Using the online mapping tool, the Eastside-Springfield neighborhood was chosen. The target area is generally bound by Martin Luther King Parkway on the East, 8th/9th Street on the North, Pearl Street on the West and 1st Street/Union Street on the South. Based on the direction given, the City specifically looked closer at 3 topics as it related to potential target areas for NSP3.

Percentage of Foreclosures

The mapping tool report counts 76 foreclosure starts and 23 REOs in the Eastside-Springfield area. In addition, our locally tracked information indicates 77 Lis Pendens (foreclosure starts) and 61 REO properties. Only 23 of the 61 are still held by financial or government institutions. The properties falling within this category are mixed. Single Family Residential properties are the largest group at 14 of 23. Multi-Family Residential properties are the second largest group at 4 of 23. Locally tracked LIS Pendens and completed foreclosure data are derived from our Clerk of Courts records. The mapping tool report identifies the percent of housing units 90 or more days delinquent or in foreclosure at 16.58. There are 10 times more delinquencies than foreclosures, based on 766 delinquencies and 76 foreclosure starts. REOs are 30 percent of all units for sale. Between December 2009 and November 2010 there were 437 sales (244 S/F and 59 M/F) with an average sales price of \$41,316 per single family unit and \$17,597 per multi-family unit. This data seems to indicate that the foreclosure crisis continues to have a dramatic effect on the target area.

Sub prime (High Cost Loans)

The City of Jacksonville/Duval County utilized Home Mortgage Disclosure Act (HMDA) Census Tract data on high cost and highly leveraged loans provided within the Housing and Urban Development (HUD) mapping tool to determine the percentage of homes financed by a sub prime mortgage loan. 772 housing units received a mortgage between 2004 and 2007 with 47.6% being considered as sub prime.

Areas at Risk

The City of Jacksonville/Duval County utilized HMDA Census Tract data, United States Postal System (USPS) data, FHFA and JHFA data along with information from our local Tax Collector to determine the areas that will likely face a significant rise in the rate of home foreclosures.

In the Eastside-Springfield area, the USPS counts 449 residential addresses as vacant for 90 days or more as of March 2010. Vacant addresses are approximately 10 percent of the 4,621 address identified within the Eastside-Springfield NSP3 area. Records from the

Duval County Tax Collector indicate that there are 882 properties with delinquent prior year taxes. In addition, the housing values have experienced at least a 20% decline in the past two years and the unemployment rate for area residents is expected to have increased more than 7%. Both of these are known predictors for future increases in foreclosures.

Target Area(s)

As previously indicated, the Eastside-Springfield Neighborhood was chosen as the area where resources from the Neighborhood Stabilization Program will be targeted. The automated NSP3 report generated shows the Neighborhood **NSP3 Need Score is 19.2 and the impact score is 16**. There are 4,621 total housing units. The area benefit eligibility scores indicate 87.41 percent of persons in the area are less than 120% AMI and 78.31 percent persons are less than 80% AMI, all of which are within the HUD NSP3 requirements. This area has been adversely impacted by the foreclosure crisis, has experienced significant reductions in housing unit values and has a significant number of sub prime mortgages. The City of Jacksonville’s Code Enforcement Office reports that there are 19 active unsafe structure cases and 16 cases approved for demolition. In addition to opportunities for rehabilitation of existing single family and multi-family structures, there are over 600 vacant lots that are currently zoned for residential use. These lots represent opportunities for further redevelopment which would provide an additional stabilizing effect on the area. The area chosen is represented by the map below. The required information from the HUD mapping tool is also attached beginning on page 32.



(NSP3 target area showing Land Use Designations)



Supporting Rationale for the Target Area Selection

Based on the NSP3 criteria, along with the following supporting factors, the City of Jacksonville will target the program’s resources in the Eastside/Springfield Neighborhood:

- The neighborhood is located close to downtown Jacksonville with approximately 4,621 residential units and a Neighborhood NSP3 Score of 19.21 (*activity #1*),
- The neighborhood contains some of the City’s oldest housing stock, but has adequate infrastructure to support redevelopment (*activity(s)#1,2,5*),
- The neighborhood has a variety of housing types, including single family homeownership, single family rental, duplexes, and several small multifamily rental properties ready for redevelopment (*activity(s)#1,5*),

- An older section of Jacksonville that once thrived, the neighborhood is now experiencing a lack of investment (*activity(s)#1,4,5*),
- The neighborhood’s population has decreased due to systemic disinvestment, but has several active neighborhood associations and a noticeable pride of ownership exhibited by current residents (*activity(s)#1,4*),
- The neighborhood has high incidences of poverty, unemployment, high-school dropouts and teenage pregnancy (*activity(s)#1,2,5*),
- Residents lack community resources in the area to adequately meet their needs, especially youth programs,
- The neighborhood falls within the Jacksonville Journey boundaries which is a \$2 million local government crime prevention program offering various resources and increased support from the Sheriff’s Office in areas with high incidences of crime (*activity(s)#1,2,5*),
- The neighborhood falls within the Weed & Seed boundaries which is a \$211,000 federal program combining neighborhood stabilization and revitalization efforts with increased support from local crime enforcement agencies (*activity(s)#1,2,5*),
- Systematic demolition of unsafe structures will greatly enhance the neighborhood’s marketability (*activity(s)#2*),
- The neighborhood has three major commercial corridors which have received support from the City in terms of infrastructure improvements and small business lending activities,
- Several new commercial activity centers are planned within the neighborhood, or just outside it’s borders, which will provide jobs and job training proximate to newly created affordable housing opportunities,
- The City anticipates the ability to leverage activities funded with public dollars with private capital from sponsor/investors (*activity(s)#1,4,5*),

The City of Jacksonville anticipates expending the program resources as follows:

City of Jacksonville NSP Allocation:

Activity Description	50% and Below	# Of Units	51 - 120%	# of Units	Total
Administration	\$0	0	\$0	0	\$710,294
Acquisition/Rehab/Resale HO	\$0	0	\$2,000,000	25	\$2,000,000
Acquisition/Rehab Multifamily	\$1,775,735	35	\$426,908	10	\$2,202,643
Demolition / Clearance	\$0	0	\$400,000	80	\$400,000
Land Banking	\$0	0	\$0	0	\$0
Financing Mechanisms	\$0	0	\$500,000	25	\$500,000
Redevelopment	\$0	0	\$1,290,000	20	\$1,290,000
Totals	\$1,775,735	35	\$4,616,908	160	\$7,102,937

The City of Jacksonville plans to utilize other funding sources including, but not limited to: private capital, federal, state and local funding and single and multi family bond proceeds in the targeted area to maximize the impact of the Neighborhood Stabilization Program.

Through the various combined activities proposed in this amendment, it is anticipated that the targeted area will be impacted in several ways that will ultimately stabilize the communities through the reduction of vacant or abandoned units. Specific areas of expected impact are as follows:

- Decrease in overall crime in targeted neighborhoods,
- Reduction in calls for service from the sheriff's office,
- Decrease in the overall deterioration of targeted neighborhoods (as measured by the number of CARE issues reported to the City),
- Reduction in code enforcement violations,
- Increase in property values for targeted neighborhoods,
- Stabilization of the tax base in the targeted neighborhoods,
- Increase in the number of jobs available to area residents,
- Increase in the number of businesses located within the target area,
- Increased access for area residents to needed human services.

B. Definitions and Descriptions

(1) “Blighted Structure”

As defined in Section 518.111 Definitions, City of Jacksonville’s *Municipal Code* (Property Safety/Maintenance Code):

Blight, blighting influence, or blighting factors means either: that which endangers life or property by fire or other causes or that which substantially impairs or arrest property values or the sound growth of the county or city and is a menace to the public health, safety, morals or welfare in this present condition and use. This may include, but not be limited to the following factors:

- a) Faulty lot layout in relation to size, adequacy, accessibility or usefulness;
- b) Unsanitary or unsafe conditions;
- c) Deterioration of site or other improvements.

(2) “Affordable Rents”

The maximum Affordable Rents shall be based upon Section 8 fair market rents as published by HUD.

(3) “Continued Affordability”

The City of Jacksonville will ensure long term affordability through the use of mortgages, promissory notes and liens for homeownership activities and mortgages, promissory notes and Land Use Restrictions (LURA) for multi-family and land banking activities.

When NSP funds are used to finance a homebuyer program, properties must remain affordable in accordance with HOME guidelines as stated below for the applicable number of years from the date of initial purchase. If resale of the property is completed prior to the end of the affordability period, the principal amount of the loan is immediately due and payable to the City of Jacksonville. If an owner of a single family unit ceases to occupy the property as his/her primary residence, or if the home is rented, sold, or title is transferred before the affordability period expires, the funds provided by the City of Jacksonville will be subject to recapture. Recaptured funds will be returned to the NSP Trust fund as program income and be used for additional activities in accordance with the NSP program.

The Housing & Neighborhood's Compliance Unit will monitor the multifamily rental developments annually during the affordability period to ensure that the specified units continue to maintain tenant affordability, tenant income eligibility and that the property(s) continue to meet minimum housing quality standards. The Housing & Neighborhood's Finance Unit will monitor homeownership units for compliance with the terms of the recorded mortgage or other security mechanism throughout the affordability period.

The City of Jacksonville will use the minimum affordability period of the federal HOME Investment Partnership Program, 24 CFR 92.252 (e) listed below:

- Up to \$15,000 = 5 years
- \$15,000 - \$40,000 = 10 years
- Over \$40,000 = 15 years
- New Construction = 20 years

(4) ***“Housing Rehabilitation Standards”***

All NSP assisted rehabilitation must meet the minimum housing codes as defined in Title VII, City of Jacksonville's *Municipal Code*. Building standards are established by the City of Jacksonville's Building Department in conjunction with the Florida Building Code as established by the Florida Department of Community Affairs and may be revised from time to time. In addition, all units must meet HUD Housing Quality Standards (HQS) as set forth in 24 CFR 982.401. Local housing rehabilitation standards and a set of NSP-specific technical specifications have been created by the Housing and Neighborhoods Department of the City of Jacksonville. These standards may be revised from time to time.

All newly constructed housing must meet the Florida Energy Efficiency Code for Building Construction. In addition, the City of Jacksonville shall require that all NSP housing construction incorporate modern, green building and energy-efficient improvements in order to provide for long-term affordability and increased sustainability and attractiveness of housing neighborhoods.

The target area also contains portions of a Historic District. Historic preservation standards will continue to be enforced for both newly constructed and rehabilitated housing in this area. This includes the Certificate of Appropriateness process currently enforced by the City's Planning and Development Department and Building Inspection Division. Given the additional costs generally associated with historic structures, some may be prohibited from being accepted into the program.

(5) ***“Rental Housing Preference”***

The City of Jacksonville will designate the majority of program funding to activities increasing access to affordable rental housing. Potential projects will also receive priority points for multi-family use as they are evaluated for acceptance into the program.

(6) ***“Vicinity Hiring”***

The City of Jacksonville will implement procedures to award priority status to the selection and utilization of small business firms located within the defined target area for all phases of the program. Further, contractors and vendors will be contractually required to make an effort to utilize residents of the target area the City's existing Section 3 Action Plan previously approved by HUD.

D. Low Income Targeting

The City of Jacksonville will set aside \$1,775,735 to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50% of area median income. It is anticipated that the majority of the funds set aside for households at or below 50% of AMI will be for rental housing. Partners selected to do rental activities must have a proven track record in rental property development and management. The City of Jacksonville will require that any potential multifamily developments be submitted in accordance with the City of Jacksonville's multifamily development guidelines, a copy of which can be obtained from the Housing and Neighborhoods Department of the City of Jacksonville.

The City of Jacksonville will give scoring consideration to partners that provide housing assistance to the special needs and homeless populations.

E. Acquisitions & Relocation

The City of Jacksonville reasonably expects to demolish 80 low- and moderate - income dwelling units (i.e., $\leq 80\%$ of area median income) as a direct result of NSP3 assisted activities.

It is reasonably expected that 90 dwelling units will be made available to low-, moderate- and middle-income households (i.e., $\leq 120\%$ of area median income), as indicated by the chart listed on page 8. It is expected that activity on these dwelling units will begin on or before March 31, 2011 and be completed by April

1, 2014. It is also expected that 35 of these units will be made available to households whose income does not exceed 50 percent of area median income. It is anticipated that these activities will not result in the displacement or relocation of individuals. However, should this occur, the City of Jacksonville has funding and will follow the rules and regulations prescribed in 42 U.S.C. 5304(d).

F. Public Comment

The opportunity for public comments was advertised in two (2) local newspapers with information regarding the availability of the application and the due date. The 15-day public comment period was held from January 29, 2011 through February 14, 2011. The results of the public comments are summarized below.

The draft NSP3 Substantial Amendment to the Consolidated Plan-Action Plan was made available to the public at the Main Library and the Housing and Neighborhoods Department, as well as our website at:

<http://www.coj.net/NR/rdonlyres/elaxazic5f7ytpwoadw3d7p25v3vmzfwvgwni74rt55cjbttpdvhetzipuppvklekkzeiyvmz2aelcheiwpzyut6a/NSP+3+Substantial+Amendment.pdf>

Once the document is finalized, and submitted to HUD for approval, it will be placed in all libraries throughout Duval County in order to be accessible to all citizens, specifically low and moderate income citizens of Duval County.

Total Submissions with Comments: Eight (8)

- Habijax
- Jacksonville Area Legal Aid
- Austin Hollis, Hollis Appraisals
- Springfield Area Merchants and Business Association (SAMBA)
- Preservation SOS
- Donna Mountain, Atlee Group
- Audrey Gibson, former State Legislator and current resident
- Anonymous

As noted above, the City of Jacksonville received comments from local citizens and several organizations. Issues were presented as follows:

- Several comments expressed concern that properties identified in the Historic District not be excluded simply due to high rehabilitation costs
- Several comments expressed pleasure with vicinity hiring plans
- Several responses expressed concern with the potential for demolition within the Historic District. Their common desire was that the City work under the auspices or supervision of the Jacksonville Historic Preservation Commission

- There were several suggestions as to new aspects of the program such as a leaseback option, concentrating efforts on a “model block” and “mothballing” properties as an alternative to demolition in the Historic District.

Copies of all comments are available for review in the City of Jacksonville’s Housing and Neighborhoods Department.

G. NSP Information by Activity

City of Jacksonville Procurement Code, Chapter 126, provides “solicitation of purchases that exceed the applicable formal threshold shall, at a minimum, consist of advertising or notification in a newspaper of general circulation in the City at least twenty-one (21) calendar days prior to the public opening date set forth in the solicitation, and at least five (5) calendar days prior to any scheduled pre-bid or pre-proposal conference...however, in no case shall the number of advertising or notification days be less than ten (10) calendar days for a formal purchase, unless deemed an emergency by the Chief of Procurement or his/her designee.”

Under the requirements of the Procurement Code, the City of Jacksonville’s Housing & Neighborhood Department has developed a comprehensive Request for Proposals (RFP) specifically for potential NSP partners to assist with the acquisition, rehabilitation, management and disposition of properties. Such partners may include, but not be limited to, housing non-profits/for-profits, title companies, appraisers, and construction management companies. The Housing and Neighborhoods Department will work closely with the Procurement Division to request and review the responses to the RFP on an expedited basis so that program activities can begin as quickly as possible.

Critical areas that the City of Jacksonville will consider in selecting non-profit and for-profit partners include: capacity, proven track record, and the applicants ability to leverage private to public dollars. To further incentivize the acquisition and development of residential units, developers may request up to \$99,000 per project as working capital.

The City will enter into formal contractual agreements with the selected partners for the awarded activity. These contracts will outline the services being procured, maximum amounts of indebtedness, regulatory requirements, and performance schedules and will allow for the de-obligation of the contract amount in the event that the partner fails to follow the contractual provisions.

ACTIVITY 1 – Acquisition / Rehabilitation / Resale

(1) Activity Name:

Acquisition/Rehabilitation/Resale – Single Family Homeownership & Rental and Multifamily Rental (Tenure type: homeownership and rental)

(2) **Eligible CDBG Activities:**

- HERA 2008 §2301(c)(3)(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
 - (b) Disposition
 - (n) Direct homeownership assistance
- 24 CFR 570.202(a) – Eligible rehabilitation and preservation activities for homes and other residential properties
- 24 CFR 570.206 – Activity delivery costs for an eligible activity (as modified by the NSP)

(3) **Activity Description:**

NSP funds will be used for the acquisition, rehabilitation and resale or rental of single and multifamily housing. The benefit of this activity is to have decent, safe, sanitary and affordable housing available to families with low, moderate or middle income levels.

a) How will the activity address local housing conditions?

- The neighborhood contains some of the City’s oldest housing stock, but has adequate infrastructure to support redevelopment
- The neighborhood has a variety of housing types, including single family homeownership, single family rental, duplexes, and several small multifamily rental properties ready for redevelopment,
- As of December 18, 2010, there are 77 residential properties of various types for sale within NSP3 Target Area (Springfield-Eastside).
- Between December 2009 and November 2010, 437 properties have been sold, of which 60 were qualified sales.
- The absorption rate is: 2.42 sales per month or roughly 1 sale every 2 weeks.
- Aging data was obtained by reviewing “For Sale” listings on Trulia.com. The average age of those listings is 133 days.
- Analysis of the 60 qualified sales shows that the cumulative sale price is \$6,768,600, with an average price per unit of \$112,810.

These factors indicate that NSP3 has an opportunity to successfully provide stability to the target area by providing safe and affordable housing to area residents. The housing can be expected to sell or rent in a reasonably short period of time in order to meet current demand.

b) Range of Interest Rates

Working with our participating lenders, homebuyers will be able to utilize a variety of programs in order to qualify for financing. These programs have generated a range of financing from 3.990% to 5.500% with the median being 4.745%.

c) Duration or Term of Assistance

Projected Start Date: March 31, 2011

Projected End Date: April 1, 2014

d) Tenure of Beneficiaries (e.g. renters or homeowners)

There are 4,621 residential housing units in the target area. Of these 1,799 properties are designated as single family or condominium. Property Appraiser records show that 914 residential (single family and condominium) properties have a homestead exemption of \$1,000 or more. This would indicate 50.8% homeownership of the identified single family units, or 21.78% of the total residential units.

e) Expected Benefit to Income-Qualified Persons or Households

- This activity will benefit Low, Moderate and Middle Income Household(s) (LMMH) under 24 CFR 570.208(a)(3)-Housing Activities
- This activity provides or improves permanent residential structures that will be occupied by a LMMH whose income is at or below 120% of area median income and renters whose income is at or below 50% of area median income.

f) Continued Affordability

The City of Jacksonville will use the minimum affordability standards under the federal HOME Investment Partnership Program as previously described on page 10.

g) Hiring of Employees/Small Businesses in Target Area Vicinity

Section 3 of the Housing and Urban Development Act of 1968, as amended, will be utilized, where applicable, in the implementation of NSP3. All contractors and vendors will be required to utilize the City's existing Section 3 Action Plan and the forms previously approved by HUD. The City will further encourage the maximum participation of Jacksonville Small and Emerging Businesses (JSEBs) in awards to developers. Developers will be required to post available employment opportunities in area libraries, schools, stores and other public areas in the community. They will also be required to work with community based organizations in the area to identify residents for employment opportunities or existing small businesses to work with. Further, the City's Housing & Neighborhoods Department will hold periodic contractor workshops where the goals of the program will be discussed and participants will be strongly encouraged to participate by hiring local residents.

h) Procedures for Multi-Family Preferences

All potential related activities will be vetted for potential use in, and/or the

impact on increasing access to rental housing. In addition, the majority of funds have been specifically targeted to address this preference for rental housing. Priority will be given to projects submitted that will serve the 50% or below of area AMI population. Finally, small scale rental projects of 1-10 M/F units or scattered site S/F homes will receive preference.

(4) **Areas of Greatest Need:**

For purposes of meeting §2301(c)(2), the Eastside-Springfield neighborhood will be targeted for program resources. The benefit of this activity is to have decent, safe, sanitary and affordable housing available to families with low, moderate or middle income levels within the target area.

(5) **Total Budget:**

Income Level	Single-Family	Multi-Family
Low Income (0 - 50% AMI)	\$0	\$1,775,735
Moderate/Middle Income (51 - 120% AMI)	\$2,000,000	\$426,908
Total Projected Budget	\$2,000,000	\$2,202,643

(6) **Performance Measures:**

Any contractual agreements will outline the services being procured, maximum amounts of indebtedness, regulatory requirements, and performance schedules and will allow for the de-obligation of the contract amount in the event that the partner fails to follow the contractual provisions. All Housing Partners will be monitored quarterly for compliance.

Income Level	Single-Family Units	Multi-Family Units
Low Income (0 - 50% AMI)	0	35
Moderate Income (51 - 80% AMI)	13	5
Moderate/Middle Income (81 - 120% AMI)	12	5
Total Projected Units	25	45

(7) **Projected Start Date:** March 31, 2011

Projected End Date: April 1, 2014

(8) **Responsible Organization:** City of Jacksonville, Housing and Neighborhoods Department, 214 N Hogan Street, 8th floor, Jacksonville, FL 32202; Wight Greger, Director. The City of Jacksonville will solicit through multiple Requests for Proposals organizations/partners to participate in this activity.

ACTIVITY 2 – Demolition / Clearance

(1) **Activity Name:**

Demolition/Clearance/Board-up of Vacant, Blighted Structures (Tenure type: homeownership)

(2) **Eligible CDBG Activities:**

- HERA 2008 §2301(c)(3)(D) – Demolish blighted structures
- 24 CFR 570.201(d) – Clearance and Demolition of blighted structures only

(3) **Activity Description:**

The City of Jacksonville's Municipal Code and Compliance Division will identify blighted structures within the target areas. Structures which substantially impair or arrest property values or which are a menace to public health, safety, morals or welfare in its present condition and use will be boarded up or demolished. In an effort to preserve the existing housing stock, some of which is historic in nature, boarding of the property will be the first option. This activity will compliment and leverage this fiscal year's CDBG Demolition / Clearance activity currently in place and budgeted at \$300,000 along with the \$1M allocated to this activity in NSP1. Eligibility will be determined based upon a recommendation from the City's Environmental and Compliance Department, Municipal Code Compliance Division or for properties in which the estimated rehabilitation cost exceeds 50% of the appraised value of the property.

a) How will the activity address local housing conditions?

- The neighborhood contains some of the City's oldest housing stock
- The neighborhood has a variety of housing types, including single family homeownership, single family rental, duplexes, and several small multifamily rental properties
- Our local Municipal Code Compliance Division reports that there are currently 229 active Code Enforcement cases, of which 19 are active unsafe structures and 16 cases are approved for demolition
- Our local Municipal Code Compliance Division reports that there are currently 1,776 active code enforcement liens on parcels in the target area

These factors indicate that NSP3 has an opportunity to successfully provide stability to the target area through coordinated demolition efforts. Boarding properties will decrease the unsafe factor and help to preserve the housing stock for possible rehabilitation. Demolition will remove the unsafe structures and blighted properties, which should increase property values and reduce the opportunity for crime and other unsafe actions in the target area.

b) Range of Interest Rates

Not applicable

c) Duration or Term of Assistance

Projected Start Date: March 31, 2011

Projected End Date: April 1, 2014

d) *Tenure of Beneficiaries (e.g. renters or homeowners)*

N/A

e) *Expected Benefit to Income-Qualified Persons or Households*

- This activity will ultimately benefit Low, Moderate and Middle Income Household(s) (LMMH) under 24 CFR 570.208(a)(3)-Housing Activities
- This activity will ultimately benefit the target area through the removal of slum and blighted structures which in turn will further stabilize the area.

f) *Continued Affordability*

N/A

g) *Hiring of Employees/Small Businesses in Target Area Vicinity*

Housing and Neighborhoods will enter into a formal Memorandum of Understanding (MOU) with the Environmental Code and Compliance Department, Municipal Code Compliance Division for this activity. This MOU will outline the services being procured, and will include language directing, to the greatest extent possible, the employment of area residents or area small businesses to carry out the related functions in the target area.

h) *Procedures for Multi-Family Preferences*

Priority will be given to the boarding up of rental properties in an effort to preserve existing housing stock to the greatest extent possible. Rental properties will take priority over single family homeownership projects.

(4) **Areas of Greatest Need:**

For purposes of meeting §2301(c)(2), the Eastside-Springfield neighborhood will be targeted for program resources. The benefit of this activity is the removal of slum and blighted structures which in turn will further the stabilization of the target area.

(5) **Total Budget:**

Income Level	Demolition / Clearance
Total Projected Budget	\$400,000

(6) **Performance Measures:**

	Demolition / Clearance Units
Total Projected Units	80

(7) **Projected Start Date:** March 31, 2011

Projected End Date: April 1, 2014

(8) **Responsible Organization:** City of Jacksonville, Housing and Neighborhoods Department, 214 N Hogan Street, 8th floor, Jacksonville, FL 32202; Wight Greger, Director. The City of Jacksonville will solicit through multiple Requests for Proposals organizations/partners to participate in this activity.

ACTIVITY 3 – Land Banking

(1) **Activity Name:**

Land Banking (Tenure type: homeownership)

(2) **Eligible CDBG Activities:**

- HERA 2008 §2301(c)(3)(C) – Establish land banks for homes that have been foreclosed upon.
- 24 CFR 570.201
 - (a) – Acquisition
 - (b) – Disposition (including maintenance)

(3) **Activity Description:**

Although not contemplated to be an activity, at this time, the land bank would be used to maintain, assemble, facilitate redevelopment of, market, and dispose of undeveloped properties. In no case will the property be held in excess of ten (10) years without obligating it to an eligible NSP use. The City of Jacksonville and/or Housing Partners will purchase developed and/or undeveloped properties that are sized for the construction of housing units, zoned appropriately and have established infrastructure. However, if a property does not meet the listed criteria but is located adjacent to a property that does meet the criteria and can be combined with said property; both properties may be added to the land bank. Upon sale or transfer of the property from the land bank, recaptured funds will be returned to the NSP Trust fund as program income and will be used for additional activities in accordance with the NSP program.

a) How will the activity address local housing conditions?

- The neighborhood has a variety of parcels which have the proper zoning and land use classification to allow varied housing types, including single family homeownership, single family rental, duplexes and small multifamily rental properties
- There are currently 666 vacant parcels in the target area
- Our local Municipal Code Compliance Division reports that there are currently 229 active Code Enforcement cases, of which 19 are active unsafe structures and 16 cases are approved for demolition
- Our local Municipal Code Compliance Division reports that there are currently 1,776 active code enforcement liens on parcels in the target area

These factors indicate that NSP3 has an opportunity to successfully provide stability to the target area through possible land banking efforts.

b) Range of Interest Rates

Not applicable

c) Duration or Term of Assistance

Projected Start Date: March 31, 2011

Projected End Date: April 1, 2014

d) Tenure of Beneficiaries (e.g. renters or homeowners)

There are 4,621 residential housing units in the target area. There are 1,799 properties designated as single family or condominium. Property Appraiser records show that 914 residential (single family and condominium) properties have a homestead exemption of \$1,000 or more. This would indicate 50.8% homeownership of the identified single family units, or 21.78% of the total residential units.

e) Expected Benefit to Income-Qualified Persons or Households

- This activity will ultimately benefit Low, Moderate and Middle Income Household(s) (LMMH) under 24 CFR 570.208(a)(3)-Housing Activities
- This activity ultimately provides the opportunity for permanent residential structures that will be occupied by a LMMH whose income is at or below 120% of area median income

f) Continued Affordability

The City of Jacksonville will use the minimum affordability standards under the federal HOME Investment Partnership Program as previously listed on page 10.

g) Hiring of Employees/Small Businesses in Target Area Vicinity

Section 3 of the Housing and Urban Development Act of 1968, as amended, will be utilized, where applicable, in the implementation of NSP3. All contractors and vendors will be required to utilize the City's existing Section 3 Action Plan and the forms previously approved. The City will further encourage the maximum participation of Jacksonville Small and Emerging Businesses (JSEBs) in awards to developers. Developers will be required to post available employment opportunities in area libraries, schools, stores and other public areas in the community. They will also be required to work with community based organizations in the area to identify residents for employment opportunities or existing small businesses to work with. Further, we will hold periodic contractor workshops where the goals of the program will be discussed and participants will be strongly encouraged to participate by hiring local residents.

h) Procedures for Multi-Family Preferences

N/A

(4) Areas of Greatest Need:

For purposes of meeting §2301(c)(2), the Eastside-Springfield neighborhood will be targeted for program resources. The benefit to this activity is to enhance the opportunity to have decent, safe, sanitary and affordable housing available to families with low, moderate or middle income levels within the target area.

(5) **Total Budget:**

Income Level	Land Banking
Low Income (0 - 50% AMI)	\$0
Moderate/Middle Income (51 - 120% AMI)	\$0
Total Projected Budget	\$0

(6) **Performance Measures:**

Income Level	Land Banking Units
Low Income (0 - 50% AMI)	0
Moderate Income (51 - 80% AMI)	0
Moderate/Middle Income (81 - 120% AMI)	0
Total Projected Units	0

(7) **Projected Start Date:** March 31, 2011

Projected End Date: April 1, 2014

(8) **Responsible Organization:** City of Jacksonville, Housing and Neighborhoods Department, 214 N Hogan Street, 8th floor, Jacksonville, FL 32202; Wight Greger, Director. The City of Jacksonville will solicit through multiple Requests for Proposals organizations/partners to participate in this activity.

ACTIVITY 4 – Financing Mechanisms

(1) **Activity Name:**

Financing Mechanisms for Purchase and Redevelopment of Foreclosed Homes and Other Residential Properties (Tenure-type: homeownership)

(2) **Eligible CDBG Activities:**

- HERA 2008 §2301(c)(3)(A) – Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-second, loan loss reserves, and shared equity loans for low- and moderate-income homebuyers.
- 24 CFR 570.201(n) Direct Homeownership Assistance
- 24 CFR 570.206 – Activity delivery costs for an eligible activity (as modified by the NSP)

(3) **Activity Description:**

Purchase assistance will be in the form of a 0% interest loan, secured by a mortgage and promissory note, that shall be due and payable should the property cease to be the primary residence of the borrower, or if the home is rented, sold, or title is transferred within the affordability period. The funding may reduce interest rates,

mortgage principal amounts, provide a second mortgage and pay the purchaser's reasonable closing costs. The amount of assistance that will be left behind as a deferred payment loan will be adjusted according to income and need. As long as the borrower/owner maintains the property as their principal homestead residence during the period of affordability, the loan will remain deferred. Recaptured funds will be returned to the NSP Trust fund as program income and be used for additional activities in accordance with the NSP program. This activity could also include delivery costs associated with the issuance of single family bond issues by the local HFA.

a) How will the activity address local housing conditions?

- The neighborhood has a variety of parcels which have the proper zoning and land use classification to allow varied housing types, including single family homeownership, single family rental, duplexes and small multifamily rental properties
- From September 2008 to present there have been 32 residents in the area that have received in excess of \$480,000 of purchase assistance from the City
- Between December 2009 and November 2010, 437 properties have been sold, of which 60 were qualified sales
- As of December 18, 2010, there are 77 residential properties of various types for sale within the Target Area

These factors indicate that NSP3 has an opportunity to successfully provide stability to the target area through the provision of purchase assistance to potential homebuyers in the target area. There is a demand for the existing housing inventory from qualified potential homebuyers. Increasing the percentage of homeowners will also have a stabilizing effect on the area.

b) Range of Interest Rates

Working with our participating lenders, homebuyers will be able to utilize a variety of programs in order to qualify for financing. These programs have generated a range of financing from 3.990% to 5.500% with the median being 4.745%.

c) Duration or Term of Assistance

Projected Start Date: March 31, 2011

Projected End Date: April 1, 2014

d) Tenure of Beneficiaries (e.g. renters or homeowners)

There are 4,621 residential housing units in the target area. There are 1,799 properties designated as single family or condominium. Property Appraiser records show that 914 residential (single family and condominium) properties have a homestead exemption of \$1,000 or more. This would indicate 50.8% homeownership of the identified single family units, or 21.78% of the total residential units.

e) Expected Benefit to Income-Qualified Persons or Households

- This activity will ultimately benefit Low, Moderate and Middle Income Household(s) (LMMH) under 24 CFR 570.208(a)(3)-Housing Activities

- This activity ultimately provides the opportunity for permanent residential structures that will be occupied by a LMMH whose income is at or below 120% of area median income

f) Continued Affordability

The City of Jacksonville will use the minimum affordability standards under the federal HOME Investment Partnership Program as previously listed on page 10.

g) Hiring of Employees/Small Businesses in Target Area Vicinity

Partners selected in this activity will be required to affirm their support of the City’s goals to employ local residents of the targeted area to the greatest extent possible. Further, they will be strongly encouraged to work with community based organizations in the area to identify local residents and small businesses for current and future employment and procurement opportunities.

h) Procedures for Multi-Family Preferences

All potential related activities will be vetted for potential opportunities to enhance access to affordable rental housing. Further, funds have been specifically targeted to address this preference.

(4) Areas of Greatest Need:

For purposes of meeting §2301(c)(2), the Eastside-Springfield neighborhood will be targeted for program resources. The benefit of this activity is to enhance the opportunity to have decent, safe, sanitary and affordable housing available to families with low, moderate or middle income levels within the target area.

(5) Total Budget:

Income Level	Public Financing	Private Financing
Low Income (0 - 50% AMI)	\$0	\$0
Moderate/Middle Income (51 - 120% AMI)	\$500,000	\$2,500,000
Total Projected Budget	\$500,000	\$2,500,000

(6) Performance Measures:

Income Level	Public Financing *	Private Financing **
Low Income (0 - 50% AMI)	0	0
Moderate Income (51 - 80% AMI)	20	20
Moderate/Middle Income (81 - 120% AMI)	5	5
Total Projected Units	25	25

*Public financing provided in the form of purchase assistance based on an estimated maximum cost of \$40,000 per unit.

**Private financing provided in the form of first mortgages based on an estimated first mortgage amount of \$100,000 per unit

(7) Projected Start Date: March 31, 2011

Projected End Date: April 1, 2014

- (8) **Responsible Organization:** City of Jacksonville, Housing and Neighborhoods Department, 214 N Hogan Street, 8th floor, Jacksonville, FL 32202; Wight Greger, Director. The City of Jacksonville will seek to partner with local financial institutions in this activity.

ACTIVITY 5 – Redevelopment

(1) **Activity Name:**

Redevelopment of Demolished or Vacant Properties (Including Buildings)
(Tenure-type: homeownership and rental)

(2) **Eligible CDBG Activities:**

- HERA 2008 §2301(c)(3)(E) – Redevelop demolished or vacant properties
- 24 CFR 570.201
 - (a) Acquisition
 - (b) Disposition
 - (n) Direct Homeownership Assistance
- 24 CFR 570.204 Activities by Community Based Development Organizations
- 24 CFR 570.202 Eligible Rehabilitation and Preservation Activities

(3) **Activity Description:**

Financing will be provided as a 0% deferred payment loan. Once construction has been completed, these homes will be made available to income-eligible households. For the homeownership portion of the activity, the housing partners will reimburse the City of Jacksonville an amount determined by the homeowner’s affordability requirements upon conversion to permanent, primary mortgage financing. These reimbursements will constitute program income under the program and will be recycled to eligible NSP activities. For the rental housing portion of the activity, financing may be provided as a 0% deferred payment loan, but cannot exceed 25% of total project costs. The City of Jacksonville will use the minimum affordability standards of 20 years under the federal HOME Investment Partnership Program for new construction. Continued affordability will be ensured through the use of a recorded security document in the form of a mortgage and note against the subject property. Recaptured funds will be returned to the NSP Trust fund as program income and be used for additional activities in accordance with the NSP program.

a) How will the activity address local housing conditions?

- The neighborhood has a variety of parcels which have the proper zoning and land use classification to allow varied housing types, including single family homeownership, single family rental, duplexes and small multifamily rental properties

- Our local Municipal Code Compliance Division reports that there are currently 229 active Code Enforcement cases, of which 19 are active unsafe structures and 16 cases are approved for demolition
- The neighborhood contains some of the City's oldest housing stock, but has adequate infrastructure to support redevelopment
- The neighborhood has a variety of existing housing types which will positively benefit from newly constructed homes added to the area

These factors indicate that NSP3 has an opportunity to successfully provide stability to the target area through redevelopment efforts.

b) Range of Interest Rates

Working with our participating lenders, homebuyers will be able to utilize a variety of programs in order to qualify for financing. These programs have generated a range of financing from 3.990% to 5.500% with the median being 4.745%.

c) Duration or Term of Assistance

Projected Start Date: March 31, 2011

Projected End Date: April 1, 2014

d) Tenure of Beneficiaries (e.g. renters or homeowners)

There are 4,621 residential housing units in the target area. There are 1,799 properties designated as single family or condominium. Property Appraiser records show that 914 residential (single family and condominium) properties have a homestead exemption of \$1,000 or more. This would indicate 50.8% homeownership of the identified single family units, or 21.78% of the total residential units.

e) Expected Benefit to Income-Qualified Persons or Households

- This activity will ultimately benefit Low, Moderate and Middle Income Household(s) (LMMH) under 24 CFR 570.208(a)(3)-Housing Activities
- This activity ultimately provides the opportunity for permanent residential structures that will be occupied by a LMMH whose income is at or below 120 percent of area median income

f) Continued Affordability

The City of Jacksonville will use the minimum affordability standards under the federal HOME Investment Partnership Program.

g) Hiring of Employees/Small Businesses in Target Area Vicinity

Section 3 of the Housing and Urban Development Act of 1968, as amended, will be utilized, where applicable, in the implementation of NSP3. All contractors and vendors will be required to utilize the City's existing Section 3 Action Plan and the forms previously approved. The City will further encourage the maximum participation of Jacksonville Small and Emerging Businesses (JSEBs) in awards to developers. Developers will be required to post available employment opportunities in area libraries, schools, stores and other public areas in the community. They will also be required to work with community based organizations in the area to identify residents for employment opportunities or existing small businesses to work with. Further,

we will hold periodic contractor workshops where the goals of the program will be discussed and participants will be strongly encouraged to participate by hiring local residents.

h) Procedures for Multi-Family Preferences

All potential related activities will be vetted for potential use in, and/or the impact on increasing access to rental housing. In addition, the majority of funds have been specifically targeted to address this preference for rental housing. Priority will be given to projects submitted that will serve the 50% or below of area AMI population. Finally, small scale rental projects of 1-10 M/F units or scattered site S/F homes will receive preference.

(4) **Areas of Greatest Need:**

For purposes of meeting §2301(c)(2), the Eastside-Springfield neighborhood will be targeted for program resources. The benefit of this activity is to enhance the opportunity to have newly constructed safe, sanitary and affordable housing available to families with low, moderate or middle income levels within the target area.

(5) **Total Budget:**

Income Level	Redevelopment
Low Income (0 - 50% AMI)	\$0
Moderate/Middle Income (51 - 120% AMI)	\$1,290,000
Total Projected Budget	\$1,290,000

(6) **Performance Measures:**

Income Level	Redevelopment Units*
Low Income (0 - 50% AMI)	0
Moderate Income (51 - 80% AMI)	20
Moderate/Middle Income (81 - 120% AMI)	0
Total Projected Units	20

*Based on an estimated redevelopment cost of \$143,000 per unit

- (7) **Projected Start Date:** March 31, 2011
Projected End Date: April 1, 2014

- (8) **Responsible Organization:** City of Jacksonville, Housing and Neighborhoods Department, 214 N Hogan Street, 8th floor, Jacksonville, FL 32202; Wight Greger, Director. The City of Jacksonville will solicit through multiple Requests for Proposals organizations/partners to participate in this activity.

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.

Kerri Stewart
Signature/Authorized Official

2-4-11
Date

MAYOR
Title
Kerri Stewart
CHIEF ADMINISTRATIVE OFFICER
FOR: MAYOR JOHN PEYTON
UNDER AUTHORITY OF:
EXECUTIVE ORDER NO. 2010-01

housing projects, (pages 9-10)	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> • Applicable housing rehabilitation standards for NSP funded projects (pages 9-10) 	<input checked="" type="checkbox"/>

4. Low-Income Targeting

	Yes
Did you identify the estimated amount of funds appropriated to provide housing that meets the low-income set aside target? (page 11)	<input checked="" type="checkbox"/>
Did you provide a summary describing how your jurisdiction will meet its low-income set aside goals? (page 11)	<input checked="" type="checkbox"/>

5. Acquisition & Relocation

	Yes
For all acquisitions that will result in displacement did you specify: (page 12)	
<ul style="list-style-type: none"> • The planned activity, 	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> • The number of units that will result in displacement, 	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> • The manner in which the grantee will comply with URA for those residents? 	<input checked="" type="checkbox"/>

6. Public Comment

	Yes
Did you provide your draft of the NSP3 substantial amendment for a minimum of 15 days for public comment?	<input checked="" type="checkbox"/>
Did you include the public comments you received on the NSP3 substantial amendment in your plan? (page 12)	<input checked="" type="checkbox"/>

7. NSP Information by Activity

	Check all that apply
Did you include a description of all eligible NSP3 activities you plan to implement with your NSP3 award?	<input checked="" type="checkbox"/>
For each eligible NSP3 activity you plan to implement did you include:	
<ul style="list-style-type: none"> • Eligible use or uses? 	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> • Correlated eligible CDBG activity or activities? 	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> • Associated national objective? 	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> • How the activity will address local market conditions? 	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> • Range of interest rates (if any)? 	<input checked="" type="checkbox"/>

• Duration or term of assistance?	<input checked="" type="checkbox"/>
• Tenure of beneficiaries (e.g. rental or homeowner)?	<input checked="" type="checkbox"/>
• If the activity produces housing, how the design of the activity will ensure continued affordability?	<input checked="" type="checkbox"/>
• How you will, to the maximum extent possible, provide for vicinity hiring?	<input checked="" type="checkbox"/>
• Procedures used to create affordable rental housing preferences?	<input checked="" type="checkbox"/>
• Areas of greatest need addressed by the activity or activities?	<input checked="" type="checkbox"/>
• Amount of funds budgeted for the activity?	<input checked="" type="checkbox"/>
• Appropriate performance measures for the activity (e.g. units of housing to be acquired, rehabilitated, or demolished for the income levels represented in DRGR) ?	<input checked="" type="checkbox"/>
• Expected start and end dates of the activity?	<input checked="" type="checkbox"/>
• Name and location of the entity that will carry out the activity?	<input checked="" type="checkbox"/>

8. Certifications

	Yes
Did you sign and submit the certification form applicable to your jurisdiction? (pages 26-27)	<input checked="" type="checkbox"/>

9. Additional Documentation

	Yes
Did you include a signed SF-424? (page 3)	<input checked="" type="checkbox"/>

HUD Mapping Tool Report Information

Neighborhood ID: 8153198

NSP3 Planning Data

Grantee ID: 1203100C

Grantee State: FL

Grantee Name: DUVAL COUNTY

Grantee Address: 214 N. Hogan St., 8th Floor Jacksonville FL 32202

Grantee Email: george@obsidiansvc.com

Neighborhood Name: Eastside-Springfield

Date: 2010-12-13 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: 19.2

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 4621

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 87.41

Percent Persons Less than 80% AMI: 78.31

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 for 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: 4196

Residential Addresses Vacant 90 or more days (USPS, March 2010): 449

Residential Addresses NoStat (USPS, March 2010): 672

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: 772

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 47.6

Percent of Housing Units 90 or more days delinquent or in foreclosure: 16.58

Number of Foreclosure Starts in past year: 76

Number of Housing Units Real Estate Owned July 2009 to June 2010: 23

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): 16

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): -23.2

Place (if place over 20,000) or county unemployment rate June 2005*: 3.7

Place (if place over 20,000) or county unemployment rate June 2010*: 11.2

*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

-81.658373 30.348769 -81.656742 30.348658 -81.655283 30.348547 -81.653652 30.348435 -
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Blocks Comprising Target Neighborhood

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