



Jacksonville Housing and Community Development Commission
Board of Directors Meeting
April 30, 2014
4:00 p.m.
AGENDA

Call Meeting to Order
Approval of Minutes for October 29, 2013 Special Meeting

Ajani Dunn
JHCDC Board

I. Staff Reports

A. General Comments

Staff

II. Action Items

- A. Campus Towers Project
- B. NSP 1 Substantial Amendment & Program Income
- C. NSP 3 Substantial Amendment & Program Income
- D. Reduction of FY 13/14 H2H to CHDO Reserve

Darrell V. Griffin
Laura Stagner-Crites
Laura Stagner-Crites
Laura Stagner-Crites

III. New Business

- A. Appoint/Elect Co-Chairman of the Board
- B. Universal Application

Ajani Dunn
LaCree Carswell

IV. Unfinished Business

- A.
- B.

V. Public Comments

**BOARD MEETING
SUBMISSION FORM**

(All information must be completed prior to Submission)

AGENDA NAME: Board Minutes

(This is the name of the item to place on the Agenda)

Today's Date: 4/30/2014

Please check only one: ☐ JHFA ☒ JHCDC ☐ NWJEDF

Please check only one:

☐ Reports ☐ Staff Reports ☒ ACTION ITEM ☐ New Business ☐ Old Business

Name of Person/s that will be presenting item at the meeting: Laura Stagner-Crites

Background/Description: Please review and approve the attached Board Minutes from October 29, 2013.

Are funds available for this item (if applicable): ☐ Yes ☐ No ☒ N/A _____
Finance Dir. or Senior Acct. Signature

RECOMMENDATION:

ATTACHMENTS
(Check Here if N/A ☐)

<p style="text-align: center;">Name of Attachment1 Board Minutes</p> <p>Name of Person/s responsible for submitting attachment Dayatra M. Coles</p> <p>Are there signatures required? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p style="text-align: center;">Name of Attachment2</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p style="text-align: center;">Name of Attachment3</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p style="text-align: center;">Name of Attachment4</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>

Moved: _____ Second: _____ Other: _____ Quorum # _____

Motion Note:

NEIGHBORHOODS DEPARTMENT
HOUSING AND COMMUNITY DEVELOPMENT DIVISION



JACKSONVILLE HOUSING AND COMMUNITY DEVELOPMENT COMMISSION BOARD MEETING MINUTES

Special Meeting: October 29, 2013
10:00 a.m.

Proceedings before the Jacksonville Housing and Community Development Commission taken on Tuesday,
October 29, 2013, Ed Ball Building, 214 N. Hogan Street - 8th Floor
Jacksonville, Duval County, Florida, commencing at approximately 10:00 a.m.

COMMISSION MEMBERS

Charles Commander, Chair
Daniel Albert, Member
Lisa King, Member
Phillip Mobley, Member
Mel C. Norwood, II, Member

Elaine D. Spencer, Chief

JACKSONVILLE HOUSING COMMUNITY AND DEVELOPMENT COMMISSION BOARD MEETING MINUTES
Special Meeting: October 29, 2013

Board Members Present:

Charles E. Commander, Chair
Daniel Albert, Member
Lisa King, Member
Philip Mobley, Member
Mel C. Norwood II, Member

Board Members Absent:

Ajani Dunn, Member

Professional Staff:

Jawsikia Hodges

Staff:

Elaine D. Spencer,	Chief
Lacree C. Carswell	Dayatra M. Coles
Susan Harnage	Tina M. Beals
Amy Robinson	Jane Bouda
Mamie Henderson	Valerie Richardson
Rosemary Wesolowski	

Others Present:

Dara Davis, NWJAX CDC
Alyce Denson, Wealth Watchers

JACKSONVILLE HOUSING COMMUNITY AND DEVELOPMENT COMMISSION BOARD MEETING MINUTES

Special Meeting: October 29, 2013

The Last Board Meeting was Held on October 9, 2013.

Agenda Item	Content	Exhibit/s of which are attached hereto and by this reference made a part hereof.	Action and/or Follow-Up
Call Meeting to Order, Welcome and Introductions	<p>Chair Commander called the meeting to order at 10:00 a.m. A quorum was present.</p> <p>Chair Commander thanked the members again for attending on such a short notice and reviewing the materials so quickly.</p> <p>Chair Commander also introduced new JHCDC Board member, Lisa King. Ms. King informed the group that she was appointed by Mayor Brown to represent the Planning Commission on the JHCDC. Ms. King has been on the Planning Commission for 2 years and recently was elected as their Secretary. Ms. King is a Jacksonville native and professionally has worked as a Grant Consultant for local Governments for the last 20 years. Ms. King assisted the State of Florida when writing the Consolidated Plan and assisted the City of Fort Pierce with this task. Ms. King has also been involved with Housing and Community Development Grant writing and is currently on leave from her firm.</p>		N/A
Consider Approval of Minutes	<p>A motion to approve the October 9, 2013 was made by Member Norwood and duly seconded by Member Mobley.</p> <p>Motion Passed: 5-0.</p>	Minutes from the October 9, 2013 meetings.	
I. Staff Reports	<p>A. Chief Elaine Spencer's Verbal Report:</p> <p>Chief Spencer thanked the board for attending another emergency meeting and extended a welcome to new member Lisa King.</p> <p>* The last emergency meeting was called to get</p>		

Agenda Item	Content	Exhibit/s of which are attached hereto and by this reference made a part hereof.	Action and/or Follow-Up
	<p>the board's approval for the continuation of the Neighborhood Stabilization Program (NSP). Staff has assessed and analyzed our continuing process to obtain 100% spend down by March 2014. During this review process staff recognized that a couple of small changes need made to the Substantial Amendment and HOME Program Income Recommendation. Staff is asking the Commission to rescind and restate the previous recommendation and to approve the changes to these items.</p> <p>* Staff was successful in getting full City Council approval on the Universal Application on October 22nd. Thank you for your participation in that effort.</p> <p><u>B. Dayatra Coles Verbal Report Home Program Income Recommendation:</u></p> <p>* Introduced the City Staff to the board members.</p> <p>* Staff requested and received approval to allocate a portion of the HOME PI for Elderly Relocation. After a re-evaluation of the needs of the community, we are requesting the amount in the line item of \$250,000 be combined with the line item of CHDO Development \$890,000 for a total of \$1,140,000. Funds will be specifically allocated to Wealth Watchers as leverage for their NSP3 1st Street multifamily project in the amount of \$727,426.33 and to Operation New Hope as leverage for their 8th Street multifamily project. Both of these projects are new construction projects.</p> <p>There was a request for clarification in regard to the acronyms that were being used for the new board members. Mrs. Coles informed the group of the following:</p>	<p>Handout of prior meeting summary and Board Meeting Submission Form to Rescind & Restate HOME Program Income Allocation and Board Meeting Submission Form to Rescind and Restate NSP3 Substantial Amendment.</p>	

Agenda Item	Content	Exhibit/s of which are attached hereto and by this reference made a part hereof.	Action and/or Follow-Up
	<p>CHDO ~ Community Housing Development Organization. A CHDO is a private nonprofit, community-based service organization whose primary purpose is to provide and develop decent, affordable housing for the community it serves. A CHDO acting as an owner, sponsor, or developer may undertake acquisition and/or rehabilitation of rental property; new construction of rental housing; acquisition and/or rehabilitation of homebuyer property; new construction of homebuyer property. In Jacksonville, CHDO's are used in Urban Core areas that are in need of revitalization.</p> <p>HOME Investment (this is not an acronym) is funded by grants to cities and counties; low-interest loans to state-certified CHDOs operating in state-eligible jurisdictions. The purpose is to assist cities, counties and nonprofit community housing development organizations (CHDOs) to create and retain affordable housing.</p> <p>SHIP ~ State Housing Initiatives Partnership. SHIP dollars may be used to fund emergency repairs, new construction, rehabilitation, down payment and closing cost assistance, impact fees, construction and gap financing, mortgage buy-downs, acquisition of property for affordable housing, matching dollars for federal housing grants and programs, and homeownership counseling.</p> <p>There was a question in regard to the Elderly Relocation program and if it was no longer in existence.</p>		

Agenda Item	Content	Exhibit/s of which are attached hereto and by this reference made a part hereof.	Action and/or Follow-Up
	<p>Mrs. Coles clarified that the program has not gone away, but that staff has been unable to fully fund the program due to the drastic reduction in SHIP fund allocations over the past several years. Staff found an opportunity use HOME funds for the Elderly Relocation.</p> <p>A motion was made by Member Norwood to approve Rescind and Restate HOME Program Income Allocation. Member King seconded the motion. Motion Passed: 5-0.</p> <p><u>C. Dayatra Coles Verbal Report on Rescind and Restate NSP3 Substantial Amendment:</u></p> <p>* Mrs. Coles stated that this change is being made to allow the movement of projects to the right line items so they can go through contract and the accounting system accordingly.</p> <p>At the October 9, 2013 Emergency Meeting, this body approved the revisions to the NSP3 Substantial Amendment. Upon review of the projects that are in the pipeline for completion under NSP3, staff determined that an adjustment to 25% should more accurately reflect the amounts anticipated to be expended under Acquisition Rehab versus Redevelopment. The adjustment will bring the expenditure in line with the City's accounting system.</p> <p>There was a table on the last page of the handouts that was referenced. The page and table shows the allocation of NSP funds, pursuant to Chapter 11.620, Municipal Code.</p> <p>A motion was made by Member Mobley and seconded by Member Albert to rescind and restate NSP3 Substantial Amendment. Motion passed 5-0.</p>		

Agenda Item	Content	Exhibit/s of which are attached hereto and by this reference made a part hereof.	Action and/or Follow-Up
II. Action Items	Staff to coordinate with Lawsikia Hodges to discuss the Sunshine Laws with the group.		
III. New Business	None		N/A
IV. Unfinished Business	None		N/A

Public Comments:

None

Adjournment - *The meeting was adjourned at 10:47 a.m.*

THE DATE FOR THE NEXT MEETING, MAY 21, 2014, WILL BE NOTICED.

CERTIFICATION

Recorded and Transcribed by:

Rosemary Wesolowski

Submitted by:

Secretary (N/A)

Approved by:

Ajani Dunn, Chair

**BOARD MEETING
SUBMISSION FORM**

(All information must be completed prior to Submission)

AGENDA NAME: Campus Towers Project

(This is the name of the item to place on the Agenda)

Today's Date: 4/30/2014

Please check only one: ☐ JHFA ☒ JHCDC ☐ NWJEDF

Please check only one:

☐ Reports ☐ Staff Reports ☒ ACTION ITEM ☐ New Business ☐ Old Business

Name of Person/s that will be presenting item at the meeting: Darrell V. Griffin Sr.

Background/Description: Campus Towers is the Edward Waters College Senior Citizens Home comprised of 192 units. This request is for approval in order to complete the needed upgrades to major systems. Attached is a full description of the project as well as photos. The amount of HCDD investment for this rehabilitation is \$510,000 using Community Development Block Grant (CDBG) funds.

Are funds available for this item (if applicable): ☒ Yes ☐ No ☐ N/A


Finance Dir. or Senior Acct. Signature

RECOMMENDATION:

ATTACHMENTS
(Check Here if N/A ☐)

<p style="text-align: center;">Name of Attachment1 Memorandum - Campus Towers</p> <p>Name of Person/s responsible for submitting attachment Darrell V. Griffin Sr.</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p style="text-align: center;">Name of Attachment2</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p style="text-align: center;">Name of Attachment3</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p style="text-align: center;">Name of Attachment4</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>

Moved: _____ Second: _____ Other: _____ Quorum # _____

Motion Note:

PLANNING AND DEVELOPMENT DEPARTMENT
HOUSING AND COMMUNITY DEVELOPMENT DIVISION



Memorandum

To: Elaine D. Spencer, Division Chief
From: Darrell V. Griffin, Sr., Affordable Housing Coordinator
Date: April 14, 2014
Re: Campus Towers Apartments - Rental Rehabilitation Program Request

1. Borrower: Campus Towers, Edward Waters College Senior Citizens Home, Inc.
1850 Kings Road
Jacksonville, FL 32209
Office: 353-0891

2. Funds Requested: \$510,000.00

3. Total Development Budget: \$1,023,423.00

4. Purpose of Request: This request is for a capital improvement deferred payment loan for needed repairs at the Campus Towers Senior Citizens facility located at 1850 Kings Road. Campus Towers is a HUD insured 202/8 property, which provides 192 units of affordable housing for senior citizens. The apartment complex is comprised of 192 efficiency and one-bedroom dormitory style apartments. The apartments are situated inside of two, three story buildings that serve as independent housing for seniors ages 62 and over. Currently the facility is operating at approximately at 95% occupancy rate. Some of the recent upgrades and improvements that have been completed by the agency include: the elevators have been completely revamped, the entire exterior has been painted, an ADA approved walkway was installed, and the facility is also now designated by the Sheriff's Office as a crime free community. The aging property was constructed in 1968 and is in need of upgrades to some of its major systems; as well as the need to address some life and safety concerns in and around the facility. The improvements to this facility will include, but not limited to, and/or replacement of the following: (1) the installation of flat roofs of the two living unit buildings, (2) two Natural Gas Generators (3) a Fire Alarm System (4) a Visual Emergency Call System, (5) an interior and exterior security surveillance system to monitor all entrances/exits, common areas (6) Entrance and Exit Gate System, (7) an Open Air Pavilion, and (8) the replacement of sections of the wrought iron fencing. These improvements will ensure the long term affordability and sustainability of the facility, as well as address the health and safety of the residence that it serves.

5. Number of Units: 192 units

6. Per Square Foot Costs: \$7.12

7. Source of Repayment: Deferred Payment Loan

8. Collateral: Property Secured with 2nd Mortgage Agreement

9. Just (Market) Value: \$6,723,295.00 (Per the Property Appraiser's Data Base)
No Appraisal Obtained)

10. Loan To Value (LTV): 7% (Based on value from Property Appraiser's Data Base)

11. Recommendation:

Staff recommends providing Campus Towers Apartments \$510,000 in Community Development Block Grant funds in the form of a deferred payment loan at 0% interest, forgivable at the end of the fifteen year affordability period.

I propose to draft a commitment letter contingent upon the following criterion:

- a) Sources and Uses Statement
- b) Submission of a current rent schedule
- c) Copy of your most recent Audited Financial Statements.
- d) Agree to annual monitoring for tenant eligibility and unit affordability.
- e) An environmental checklist shall be prepared for the project.
- f) The HCDD will subordinate its position only to the existing mortgage loan.
- g) The owner must submit to staff a schedule for the rehabilitation of the facility.
- h) Approval and execution of a Community Development Block Grant Program Agreement by the Mayor.
- i) Provide evidence of a clear and marketable title.

Upon compliance with the aforementioned criterion, staff recommends that \$510,000 in Community Development Block Grant funds from the 2011-07 Rental Rehab Program be committed to this project.

12. Source of Funds: Community Development Block Grant Funds - \$510,000

13. Total HCDD Exposure: \$510,000 = \$2,656.25 per unit (total 192 units)

14. Previous JHC Funding: NA

15. Other Funds: Campus Tower's Reserve Funds - \$513,423

CAMPUS TOWERS FACILITY



CAMPUS TOWERS ROOF



Soft spots and patches located throughout the roof. Some leaks have been reported by residents.



Standing water in certain parts of the roof. Air condition units on blocks and not on proper stands.



Sheathing on gable roof very soft and/or rotted.



Electrical lines and conduit running throughout the roof.



CAMPUS TOWERS FENCE



The rot iron fencing is severely rusted and decayed at the bottom and poses a hazard to pedestrians walking by.



As you exit the facility, the bus stop creates a blind spot to oncoming traffic. Management wants to create another entrance and exit on site to prevent residents from exiting into four lane traffic.



Damaged or broken fencing.



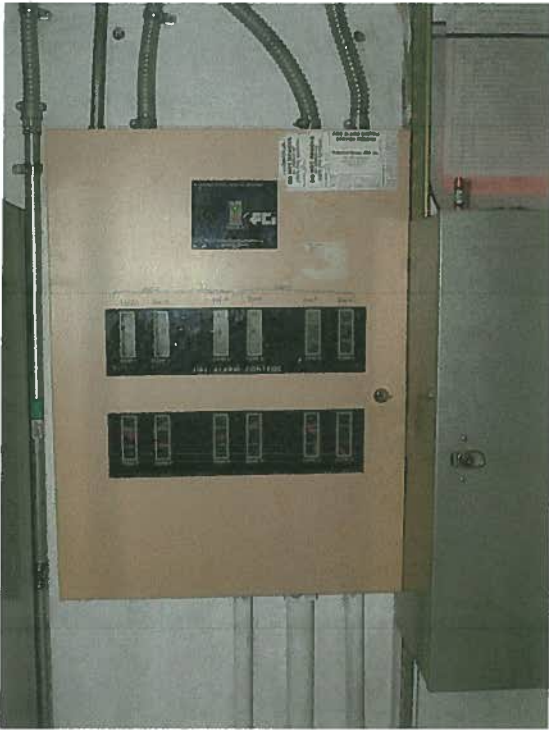
Damaged or broken fencing.



Damaged or broken fencing.



CAMPUS TOWERS CALL CENTER and FIRE ALARM



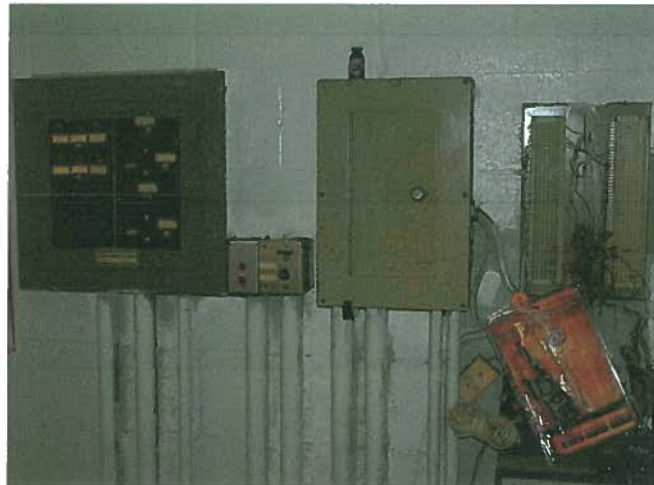
The brain of the call center is the original system and is obsolete, inoperable and needs to be replaced.



The Annunciator for the fire alarm is obsolete, and needs to be replaced.



The call center panel is the original system and is obsolete, inoperable and needs to be replaced.



The call center panel (on left) in the main office the original system and is obsolete, inoperable and needs to be replaced.

CAMPUS TOWERS CALL CENTER and FIRE ALARM



The emergency electrical generator is the original and is obsolete and not operable. Though it is fueled by propane, it is also located by an exit and as shown above near a bench where residents sit; which is a code violation. Once replaced, it needs to be relocated away from the exits and resident seating areas.



Inoperable emergency generator.



Shown are residents enjoying their day while congregating under the shade tree in the parking lot. Shows a need for a covered seating area for the residents somewhere on campus.



Shown is the drain for the overflow for the hot water heater on the 3rd floor. This drain has previously leaked onto the electrical panel housed on the 2nd fl., which poses an electrical hazard and design flaw.



One of the main electrical panels has rust on the panel box from a plumbing leak from the aforementioned drain pipe. The drain pipe should be relocated.



The openings to the bathrooms are only "24 wide and are not ADA compliant.

**BOARD MEETING
SUBMISSION FORM**

(All information must be completed prior to Submission)

AGENDA NAME: NSP 1 Substantial Amendment and Program Income

(This is the name of the item to place on the Agenda)

Today's Date: 4/30/2014

Please check only one: ☐ JHFA ☒ JHCDC ☐ NWJEDF

Please check only one:

☐ Reports ☐ Staff Reports ☒ ACTION ITEM ☐ New Business ☐ Old Business

Name of Person/s that will be presenting item at the meeting: Laura Stagner-Crites

Background/Description: Staff is requesting approval for the revision of the NSP 1 Substantial Amendment as well as the Program Income. A redline version of the Amendment is attached.

Are funds available for this item (if applicable): ☒ Yes ☐ No ☐ N/A


Finance Dir. or Senior Acct. Signature

RECOMMENDATION:

ATTACHMENTS
(Check Here if N/A ☐)

<p style="text-align: center;">Name of Attachment1 NSP 1 Substantial Amendment (Redlined)</p> <p>Name of Person/s responsible for submitting attachment D. Coles</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p style="text-align: center;">Name of Attachment2</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p style="text-align: center;">Name of Attachment3</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p style="text-align: center;">Name of Attachment4</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>

Moved: _____ Second: _____ Other: _____ Quorum # _____

Motion Note:

NSP Substantial Amendment

City of Jacksonville, Florida (Duval County)

December 19, 2008 (v8)

Revised May 2014 (v9)

Formatted: Font: 14 pt, Italic

Table of Contents

Application for Federal Assistance (SF-424 Forms).....	3
A. Areas of Greatest Need	4
Percentage of Foreclosures	5
Sub prime (High Cost Loans)	6
Areas at Risk	7
Target Areas.....	889
B. Distribution and Uses of Funds.....	101011
C. Definitions and Descriptions	111112
(1) "Blighted Structure"	111112
(2) "Affordable Rents"	121112
(3) "Continued Affordability"	121112
(4) "Housing Rehabilitation Standards"	131213
D. Low Income Targeting.....	131213
E. Acquisitions & Relocation	141314
F. Public Comment.....	141314
Public Comments Pertaining to the Neighborhood Stabilization Program (NSP)	141314
G. NSP Information by Activity	151415
ACTIVITY 1 – Acquisition / Rehabilitation / Resale.....	161516
ACTIVITY 2 – Demolition / Clearance	211921
ACTIVITY 3 – Land Banking	222123
ACTIVITY 4 – Financing Mechanisms.....	252324
ACTIVITY 5 – Redevelopment.....	272526
Certifications	302829
NSP Substantial Amendment Checklist.....	323031

Application for Federal Assistance (SF-424 Forms)

APPLICATION FOR FEDERAL ASSISTANCE		OMB Approved No. 3076-0006		Version 7/03	
1. TYPE OF SUBMISSION: Application		2. DATE SUBMITTED 12/1/2008		Applicant Identifier	
<input type="checkbox"/> Construction		3. DATE RECEIVED BY STATE		State Application Identifier	
<input checked="" type="checkbox"/> Non-Construction		4. DATE RECEIVED BY FEDERAL AGENCY		Federal Identifier	
5. APPLICANT INFORMATION					
Legal Name:		Organizational Unit:			
City of Jacksonville		Department: Housing and Neighborhoods Department			
Organizational DUNS: 004076996		Division: Office of the Director			
Address:		Name and telephone number of person to be contacted on matters involving this application (give area code)			
Street: 214 N. Hogan Street, Suite 800		Prefix: Mrs First Name: Wight			
City: Jacksonville		Middle Name			
County: Duval		Last Name: Greger			
State: Florida		Suffix:			
Zip Code: 32202		Email: wgreger@coj.net			
Country: USA		Phone Number (give area code): (904) 755-8204		Fax Number (give area code): (904) 357-5907	
6. EMPLOYER IDENTIFICATION NUMBER (EIN): [0][9]-[6][0][0][0][3][4][4]		7. TYPE OF APPLICANT: (See back of form for Application Types) B - County (Urban) Other (specify)			
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.) Other (specify)		9. NAME OF FEDERAL AGENCY: U.S. Department of Housing and Urban Development			
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): Neighborhood Stabilization Program 12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): Duval		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: 1) Establish financing mechanisms 2) Purchase and rehabilitate abandoned or foreclosed properties 3) Establish land banks 4) Demolish blighted structures 5) Redevelop demolished or vacant properties			
13. PROPOSED PROJECT Start Date: 12/1/2008 Ending Date: 12/1/2013		14. CONGRESSIONAL DISTRICTS OF: a. Applicant Congressional District 3 b. Project Congressional District 3			
15. ESTIMATED FUNDING: a. Federal \$ 26,625,317 ⁰⁰ b. Applicant \$ ⁰⁰ c. State \$ ⁰⁰ d. Local \$ ⁰⁰ e. Other \$ 40,000,000 ⁰⁰ f. Program Income \$ ⁰⁰ g. TOTAL \$ 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			
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.		17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No			
a. Authorized Representative Prefix Mr. First Name John Middle Name Last Name Peyton Suffix		b. Title Mayor c. Telephone Number (give area code): (904) 630-1776			
d. Signature of Authorized Representative <i>Kerri Stewart</i> Previous Edition Usable Authorized for Local Reproduction		a. Date Signed			

Kerri Stewart
Deputy Chief Administrative Officer
For Mayor John Peyton
Under Authority of
Executive Order No. 07-12

Standard Form 424 (Rev. 9-2003)
Prescribed by OMB Circular A-102



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

Jurisdiction(s): <u>City of Jacksonville</u> <i>(identify lead entity in case of joint agreements)</i>	NSP Contact Person: Wight Greger <u>Elaine D. Spencer</u> Director Housing & Neighborhoods Chief, Housing & Community Development Division
Jurisdiction Web Address: <ul style="list-style-type: none">www.coj.net/Departments/Housing+and+Neighborhoods/default.htmwww.coj.net	214 N. Hogan Street, 8th Floor Jacksonville, FL 32202 Telephone(904) 255-8204 Fax: (904) 255-8285 Email: wgreger@coj.net <u>espencer@coj.net</u>

A. Areas of Greatest Need

The City of Jacksonville/Duval County developed a list of target areas for the Neighborhood Stabilization Program pursuant to the Housing and Economic Recovery Act of 2008 as outlined below:

- Greatest percentage of home foreclosures;
- Highest percentage of homes financed by sub-prime mortgage related loans;
and
- Areas identified as the most likely to face a significant rise in foreclosures.

Percentage of Foreclosures

The number of foreclosures within the Jacksonville Metropolitan Statistical Area (MSA) for 2007 and the first quarter of 2008, per the Clerk of the Circuit Court, show that at least 51% of the foreclosures resulted in the loss of owner-occupied housing and 49% of the foreclosures resulted in loss of housing for the rental population. The attached map demonstrates this impact by zip code and census tract.

For the purposes of meeting §2301(c)(2), the five zip codes with the highest incidence of foreclosure (as highlighted on the map and in the table below) will be targeted for the largest percentage of program resources.

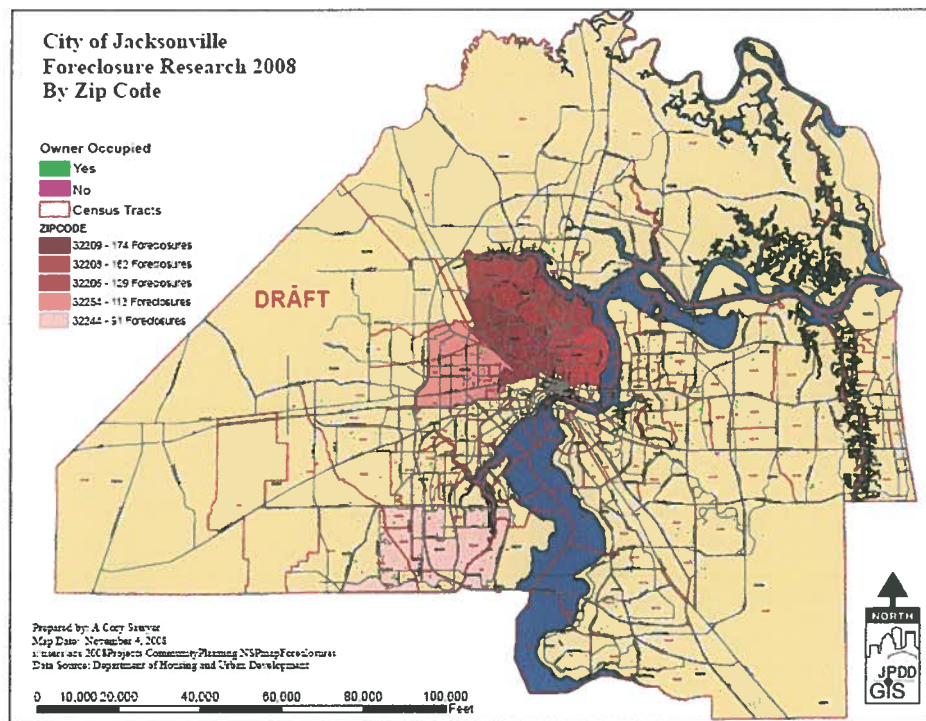


Figure 1

Five Zip Codes With Highest Foreclosure Percentage				
32209	32208	32206	32254	32244

Sub prime (High Cost Loans)

The City of Jacksonville/Duval County utilized Home Mortgage Disclosure Act (HMDA) data provided by the United States Department of Housing and Urban Development (HUD) to determine the areas that contained the highest percentage of homes financed by a sub prime mortgage loan.

For the purposes of meeting §2301(c)(2), the census tracts with the highest incidence of High Cost Loan Rate in excess of 50% (as highlighted on the map and in the table below) will be targeted for the largest percentage of program resources.

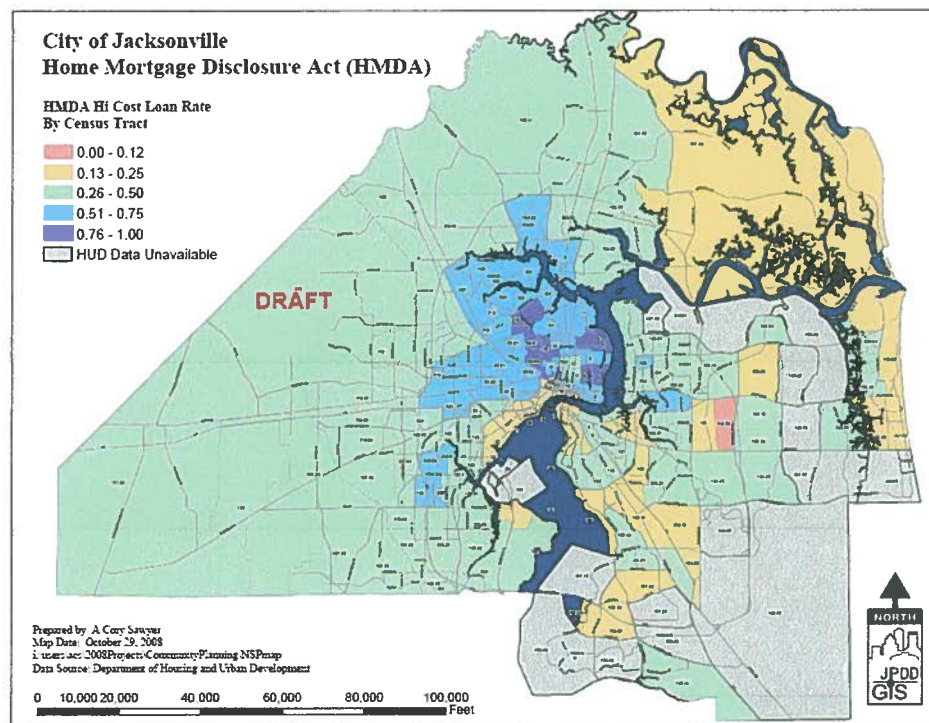


Figure 2

Census Tracts of High Cost Loan Rates					
51%-75%					
1	16	103.03	110	116	129
5	26	104	111	118	152
11	27.01	107	112	121	155
13	28.01	108	113	126.02	
14	28.02	109	114	128	

Census Tracts of High Cost Loan Rates			
76%-100%			
2	15	29.01	115
4	17	29.02	

Areas at Risk

The City of Jacksonville/Duval County utilized the Foreclosure and Abandonment Risk Scoring System provided by the United States Department of Housing and Urban Development (HUD) to determine the areas that will likely face a significant rise in the rate of home foreclosures utilizing a risk score of 10.

For the purposes of meeting §2301(c)(2), the census tracts with an estimated foreclosure abandonment risk score of 10 (as highlighted on the map and in the table below) will be targeted for the largest percentage of program resources.

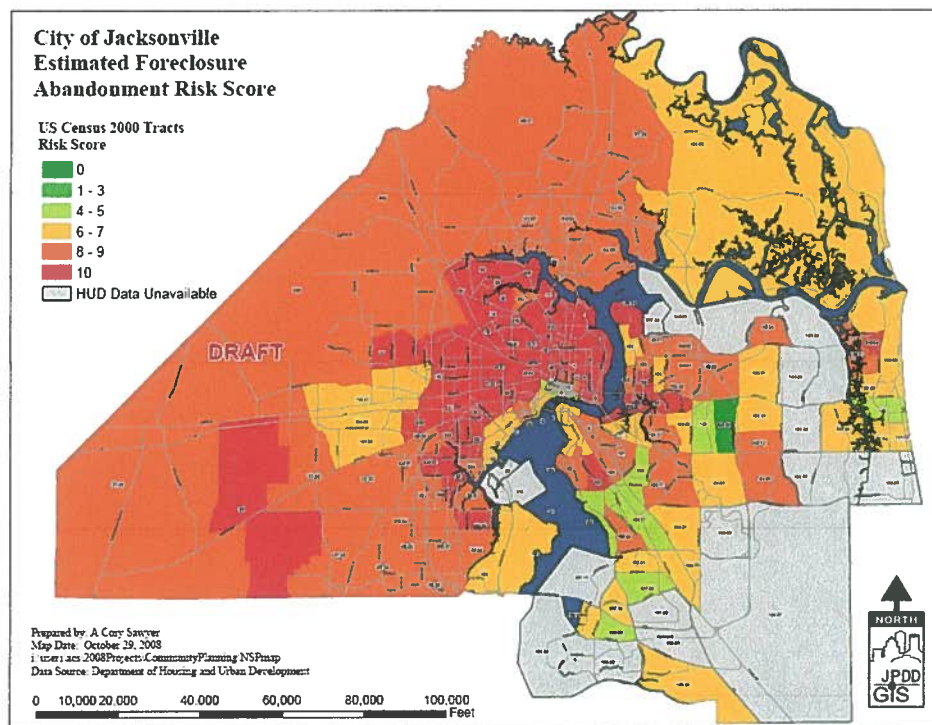
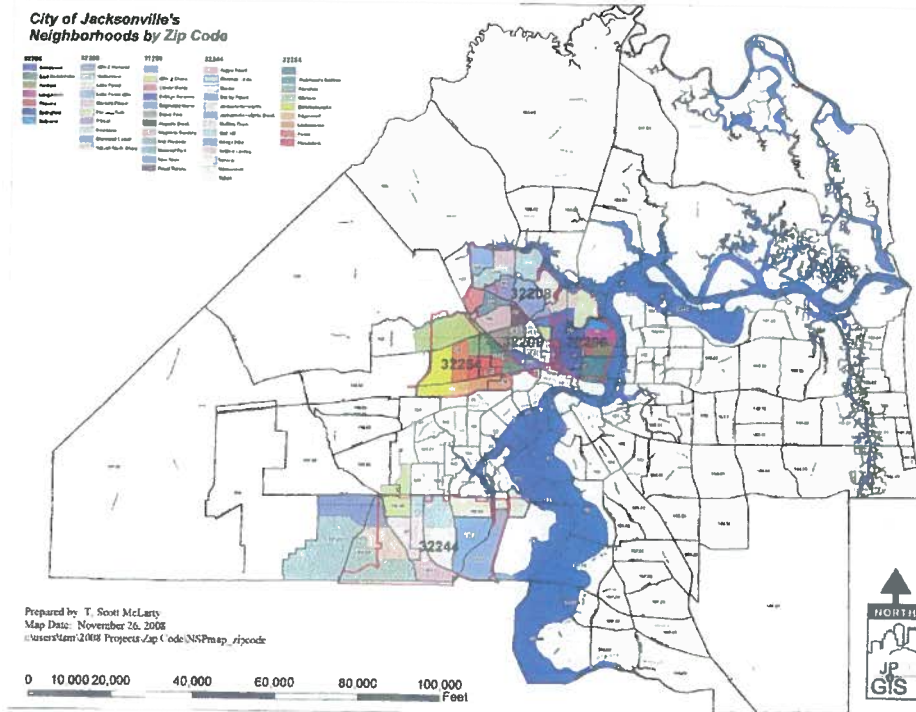


Figure 3

Census Tracts with Abandonment Risk Score of 10					
1	14	28.01	113	122	147.01
2	15	28.02	114	123	154
3	16	29.01	115	125	155
4	17	29.02	116	126.01	156
5	25	107	117	126.02	163
11	26	109	118	134.02	
12	27.01	111	120	136	
13	27.02	112	121	139.04	

Target Areas

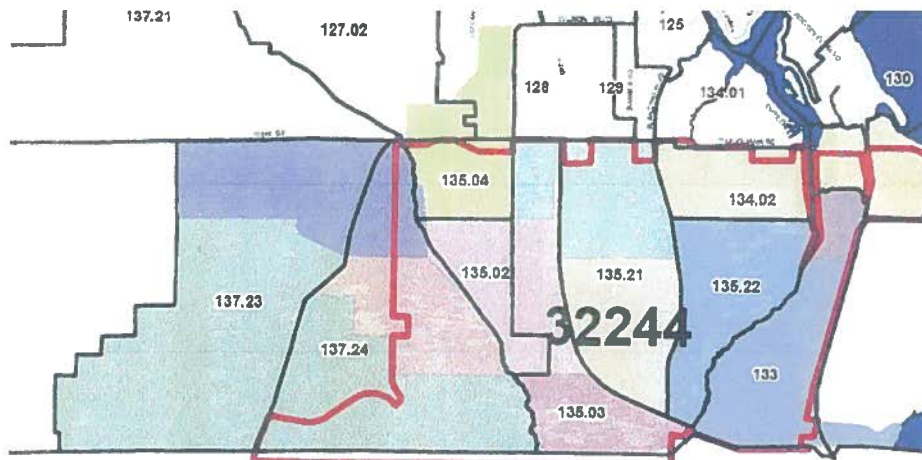
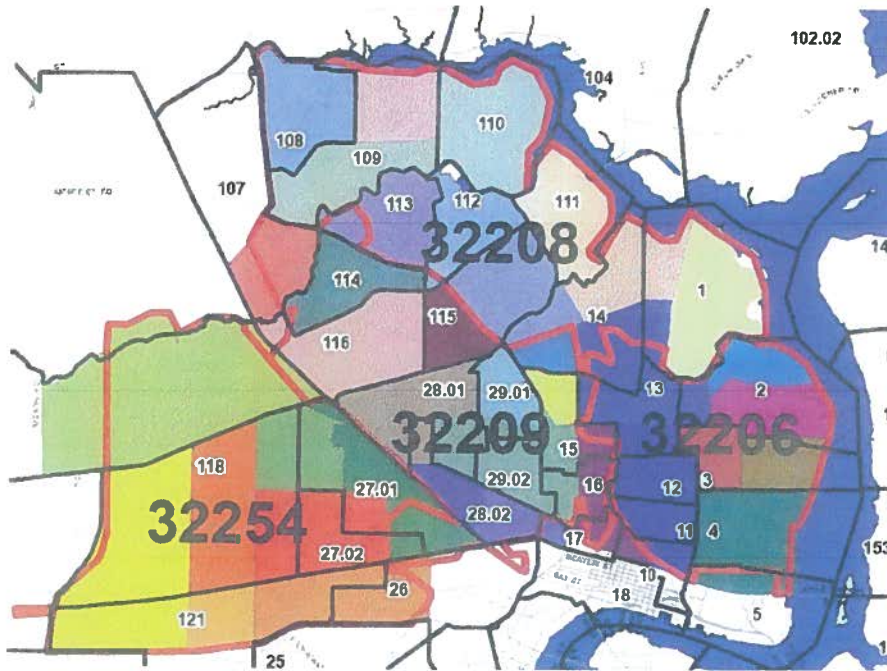
Based upon the three defined areas of need, the City of Jacksonville will target the Neighborhood Stabilization Program resources to the following identified general neighborhoods that meet one or more of the areas of need criteria.



Those neighborhoods being more clearly defined as:



Enlarged views of the targeted neighborhoods are included for additional clarity.



B. Distribution and Uses of Funds

The requirements of Section 2301(c)(2) will be met through the distribution and use of the NSP funds for the areas of greatest impact and need to include, but not limited to, the Enterprise and Empowerment Zones of the Jacksonville/Duval MSA. Based on the NSP criteria the City of Jacksonville will target the program's resources to areas identified as follows:

- The five (5) zip codes with the highest incidence of foreclosures (*based upon Figure 1*), and/or
- Census tracts with a percentage of high cost loan rates in excess of 50% (*based upon Figure 2*), and/or
- Census tracts with an abandonment risk score of 10 (*based upon Figure 3*)

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

City of Jacksonville NSP1 Allocation (# of Units are estimated):

	Total (Entitlement)	Total (Program Income)	Grand Total	50% and Below	# of Units	51-120%	# of Units
Administration [Note 1]	\$ 2,617,530	\$ 281,780	\$ 2,899,310	-	0	2,899,310	0
Acquisition/Rehab/Resale HO	9,764,199	-	\$ 9,764,199	2,538,692	12	7,225,507	47
Acquisition/Rehab Multifamily	7,286,278	-	\$ 7,286,278	5,809,855	52	1,476,423	18
Demolition/Clearance	926,695	-	\$ 926,695	-	0	926,695	198
Land Banking	1,720,369	-	\$ 1,720,369	-	0	1,720,369	93
Financing Mechanisms [Note 3]	1,993,353	1,171,412	\$ 3,164,765	721,534	0	2,443,231	0
Redevelopment [Note 2]	1,866,893	1,409,206	\$ 3,276,099	400,000	14	2,876,099	15
TOTAL	\$ 26,175,317	\$ 2,862,398	\$ 29,037,715	\$ 9,470,080	78	\$ 19,567,635	371

Note 1 - 10% of future program income collected within the program will be appropriated to Administration to provide funding for the continued administration of the program.

Note 2 - 90% of future program income collected within the program will be appropriated to Redevelopment to provide funding for the continued construction activities of the program.

Note 3 - Units of downpayment assistance are not reflected to avoid "double counting". The units are counted under Acquisition/Rehabilitation or Redevelopment.

Formatted: Indent: Left: 0"

City of Jacksonville NSP Allocation:

Activity Description	50% and Below	# of Units	51-120%	# of Units	Total
Administration	-----	0	\$ -----	0	\$ ----- 2,617,530
Acquisition/Rehab/Resale HO	-----	0	----- 12,000,000	90	----- 12,000,000
Acquisition/Rehab Multifamily	----- 6,600,000	132	----- 1,400,000	28	----- 8,000,000
Demolition/Clearance	-----	0	----- 1,000,000	125	----- 1,000,000
Land Banking	-----	0	----- 500,000	16	----- 500,000
Financing Mechanisms	-----	0	----- 1,000,000	66	----- 1,000,000
Redevelopment	-----	0	----- 1,057,787	30	----- 1,057,787
TOTAL	\$ ----- 6,600,000	132	\$ ----- 16,957,787	355	\$ ----- 26,175,317

Pursuant to Chapter 111.620, Municipal Code, the following outlines the Division's policies regarding the management of program income:

There are hereby established Revenue Fund accounts into which all proceeds and program income including rental payments, pursuant to programs funded from revenues made available by the United States or the State of Florida, shall be made, and accrued interest earned, shall be deposited, and from which funds shall only be disbursed for uses in accordance with federal program guidelines of the U.S. Department of Housing and Urban Development and any applicable program guidelines of the State of Florida. The programs will be administered in compliance with applicable federal, state and local laws, rules and regulations using forms and procedures developed by the Housing and Community Development Division within approved budget limits.

For program income and principal or interest received from the repayments of loans under the Neighborhood Stabilization Program (NSP 3), in compliance with the requirements of the Dodd-Frank Act of 2010, the Mayor, or his or her designee, shall have the authority to transfer funds to any unpaid contract amounts of NSP 3 and housing projects approved by prior City Council ordinances and shall be used to fund any unpaid amounts under said contracts prior to the use of NSP 3 entitlement proceeds appropriated by Council, subject to the requirements of the City's Procurement Code and the Division's master RFP for the program. Other than as provided herein, program income and principal or interest received from repayments of loans under the NSP 3 shall not be used for any other expenditure or use without further approval and appropriation by the Council.

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

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

- Decrease of crime in targeted neighborhoods,
- Decrease the deterioration of targeted neighborhoods,
- Increase in property values for targeted neighborhoods, and
- Stabilize the tax base in the targeted neighborhoods.

C. 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”***

Per the City of Jacksonville’s Local Housing Assistance Plan as adopted by City Council, an affordable unit is defined as a unit in which the monthly rent or mortgage payment including taxes and insurance does not exceed 30 percent of the monthly gross income for the household. This is based on monthly housing payments (PITI) of not more than 30 percent. However, it is not the intent to limit an individual household’s ability to devote more than 30 percent of its income for housing. Housing for which a household devotes more than 30 percent of its income shall be deemed affordable, if the first institutional mortgage lender is satisfied that the household can afford monthly payments in excess of the 30 percent benchmark. 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 a Housing Partner sells a home to an eligible homebuyer, NSP funds may be used for no more than 50% of any required down payment. The remaining 50% may be funded through the use of other public funds or from private sources.

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 the 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. 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.

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.

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 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 have been adopted by the ~~Housing and Neighborhoods~~Housing & Community Development ~~Department~~Division of the City of Jacksonville. These standards may be revised from time to time.

Newly constructed housing must meet the Florida Energy Efficiency Code for Building Construction. The City of Jacksonville shall also require that all housing construction to incorporate modern, green building and energy-efficiency improvements in all NSP activities to provide for long-term affordability and increased sustainability and attractiveness of housing neighborhoods.

D. Low Income Targeting

The City of Jacksonville will set aside \$6,600,000 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. Partner's 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~~Housing & Community Development ~~Department~~Division 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 or convert 435 low- and moderate-income dwelling units (i.e., $\leq 80\%$ of area median income) as a direct result of NSP-assisted activities.

It is reasonably expected that 487 dwelling units will be made available low-, moderate- and middle-income households—i.e., $\leq 120\%$ of area median income as indicated in “Distribution and Uses of Funds” chart. It is expected that activity on these dwelling units will begin on February 15, 2009 and be completed by ~~January 1, 2013~~ September 30, 2015. It is also expected that 132 of these units will be made available to households whose income does not exceed 50 percent of area median income.

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 results of the public comments are summarized below.

The draft 2008 - 2009 Consolidated Plan-Action Plan was made available to the public at the Main Library and the ~~Housing and Neighborhoods~~ Housing & Community Development Department ~~Division~~, as well as our website at www.coj.net/Departments/HousingandNeighborhoods/CommunityDevelopment/2008-2009ActionPlan.html.

The 15-day public comment period was held from November 9-24, 2008 regarding the draft 2008-2009 Consolidated Plan Amendment-Neighborhood Stabilization Program. The Jacksonville Housing and Community Development Commission reviewed and approved the plan on November 19, 2008. The minutes of the meeting and the sign-in sheet are available on file in the ~~HANDHCDD~~.

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

Public Comments Pertaining to the Neighborhood Stabilization Program (NSP)

Total Submissions with Comments: Thirteen (13)

- Ability Housing
- Operation New Hope
- Housing Partnership of Northeast Florida
- Metro North CDC
- Riverside Avondale Development Organization
- Grace and Truth CDC

- Local Initiatives Support Corporation
- Wealth Watchers, Inc.
- Jacksonville Area Legal Aid
- Langton Consulting
- Mark Beamenderfer, Gator Home Buyers
- Darryl Ransom
- Weezie Collins, Weezie Collins Realty

The City of Jacksonville received comments from local citizens, several organizations, and a number of Community Development Corporations. Issues were presented as follows:

- Several requests to limit the target area where 75% of the funds will be spent to areas where the City of Jacksonville has approved Neighborhood Action Plans (NAP);
- A number of organizations requested that the City give a preference to nonprofit CDCs, particularly as it relates to areas where those established organizations are already working;
- There were also a number of requests for the City to give a right of first refusal for properties within these target areas to the established CDCs.
- There was a common concern that selected organizations have a proven track record and capacity to carry out NSP activities, and would also perform the activities which would be in the neighborhood's best interest ;
- Several respondents voiced concern about the need to help the new home owners acquire the proper financial tools for their individual situations;
- Several suggested the City only partner with established CDCs and other small local businesses with proven track records for success and progress versus that of an investor with the sole goal of making large profits from others misfortune.

Copies of all comments can be reviewed in the City of Jacksonville's [Housing and Neighborhoods Housing & Community Development Department Division](#).

G. NSP Information by Activity

Under the City of Jacksonville Procurement Code, Chapter 126, "solicitation of purchases that exceed the applicable formal threshold shall, at a minimum, consists 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 intends

to develop multiple Requests for Proposals (RFP) for 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, lenders, title companies, asset/property managers, appraisers, real estate companies, contractors (including demolition contractors) and inspection firms. The ~~Housing and Neighborhoods~~Housing & Community Development Department~~Division~~ will work closely with the Procurement Division to request and review the RFP's 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 will include: capacity, proven track record, and the applicants ability to leverage private to public dollars. At a minimum, the City of Jacksonville will expect partners to leverage 60% of the cost of the activity, with the public portion not to exceed 40%, except where specifically noted in individual activities.

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 ~~or Rental~~ and Multifamily Rental (Tenure type: homeownership and rental)
- (2) **Activity Type:**
Eligible 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) **National Objective:**
 - 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 percent of area

median income

(4) **Activity Description:**

NSP funds will be used for the acquisition, rehabilitation and resale of single and multifamily housing. The benefit to this activity is to have decent, safe, sanitary and affordable housing available to families with low, moderate or middle income levels. The minimum purchase discount for all properties purchased with NSP funds shall ~~be at least 15 percent~~ adhere to the minimum required purchase discount for this activity type, as defined by HUD. While the City of Jacksonville does not anticipate any relocation due to this activity, if relocation is triggered, the City has available federal and state funding to meet the regulations as established under the Uniform Relocation Act (URA).

(5) **Location Description:**

This activity will be carried out in the target areas.

(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 10	132 52
Moderate Income (51-80% AMI)	60 50	28 18
Middle Income (81-120% AMI)	30	0
Total Projected Units	90	16070

*Based on an average of the 2007/2008 foreclosure mortgage amounts and values less the 15% discount but including an average rehab cost of \$30,000 for a average total of \$115,000 per home.

**Based on an average acquisition and rehab cost of \$50,000 per unit utilizing data from current HAND projects.

(7) **Total Budget:**

Income Level	Single-Family	Multi-Family
Low Income (0-50% AMI)	\$ 02,538,692	\$ 6,600,000 5,809,855
Moderate/Middle Income (51-120% AMI)	12,000,000 7,225,507	1,400,000 1,476,423
Total Projected Budget	\$ 12,000,0009,764,199	\$ 8,000,0007,286,278

(8) **Responsible Organization:** City of Jacksonville, ~~Housing and Neighborhoods~~ Housing & Community Development ~~Department~~ Division, 214 N

Hogan Street, 8th floor, Jacksonville, FL 32202; ~~Wight Greger~~ Elaine D. Spencer,
~~Director~~ Chief. The City of Jacksonville will solicit through multiple Requests for
Proposals organizations/partners to participate in this activity.

(9) **Projected Start Date:** February 15, 2009

(10) **Projected End Date:** ~~January 1, 2013~~ September 30, 2015

(11) **Specific Activity Requirements:**

Eligible units will meet the following criteria:

- Property must ~~have been foreclosed upon~~ be foreclosed (as defined by HUD), and
- Property must be vacant

The ~~Housing & Neighborhoods~~ Housing & Community Development
~~Department~~ Division (HANDH CDD) will work with lenders and investors to
obtain a list of homes that have been foreclosed, vacant for at least 90 days and
are on a lender's or investor's current inventory. Once foreclosed properties have
been identified in the target areas, the City of Jacksonville will negotiate with the
lender(s) and or investor(s) to obtain the maximum reasonable discount for use in
the program. The minimum purchase discount for all properties purchased with
NSP funds shall ~~adhere to the minimum required purchase discount for this~~
activity type, as defined by HUD. be at least 15 percent.

The City of Jacksonville will then provide the Housing Partners with a list of
available properties in the targeted areas. The City of Jacksonville will provide
funding at 0% interest to the approved Housing Partners to acquire the properties.
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 and will be recycled to eligible NSP activities. If the property is
not sold within 12 months of availability then the property may be converted into
rental unit(s). The City of Jacksonville will require the minimum affordability
period as stated in the HOME Investment Partnership Program. The principal
amount of the mortgage for homeownership units will be payable upon maturity
and the 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 principal amount of mortgages for rental projects will be in the form of
deferred payment loans. The affordability period will be separately guaranteed
through the recording of a Land Use Restriction (LURA). The City of
Jacksonville will limit the number of properties that the Housing Partners can
obtain based on their capacity.

In most cases, housing units acquired through the use of NSP funds will require

rehabilitation. The City of Jacksonville will provide NSP funds for housing rehabilitation to bring the housing units up to the City of Jacksonville's minimum housing code as defined in Title VIII, City of Jacksonville's *Municipal Code*. Funding will be provided through a secured lien on the property at 0% interest until the unit is transferred to an eligible occupant. Upon transfer of the property to an eligible occupant, the Housing Partner's loan will be due and payable to the City and recaptured as program income.

The NSP program will rehabilitate both single family and multifamily residential property. Costs of the rehabilitation can include labor, materials, supplies, permits, lead paint assessment, abatement and clearance, barrier removal, energy efficient measures asbestos removal and program delivery. If, upon evaluation by a certified housing inspector, the cost to rehabilitate the unit is estimated to be greater than fifty percent (50%) of the after-rehabilitation appraisal value, the City of Jacksonville may recommend that the unit be demolished.

Housing Partner(s) must sell an acquired home to an eligible homeowner as an affordable unit within twelve months. Per the City of Jacksonville's Local Housing Assistance Plan as adopted by City Council, an affordable unit is defined as a unit in which the monthly rent or mortgage payment including taxes and insurance does not exceed 30 percent of the monthly gross income for the household. This is based on monthly housing payments (PITI) of not more than 30 percent. However, it is not the intent to limit an individual household's ability to devote more than 30 percent of its income for housing. Housing for which a household devotes more than 30 percent of its income shall be deemed affordable, if the first institutional mortgage lender is satisfied that the household can afford monthly payments in excess of the 30 percent benchmark.

A portion of the NSP funds used for Housing Rehabilitation may remain in the home when it is sold to an income eligible household in the form of gap financing. Gap financing will be in the form of a secured 0% interest loan 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. The funding may reduce interest rates, mortgage principal amounts, provide a second mortgage and pay the purchaser's reasonable closing costs. The amount of down payment assistance that will be left behind as a deferred payment loan will be adjusted according to income and need of the household. NSP funds may be used for no more than 50% of any required down payment. The remaining 50% may be funded through the use of other public or private funding sources. As long as the borrower/owner maintains the property as their principal homestead residence during the period of affordability, the loan will remain deferred. Single family and multifamily housing units assisted under this activity will have a recorded security position in order to ensure continued affordability. 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.

All homebuyers will be required to have at a minimum 8 hours of homebuyer counseling from a housing counseling agency as approved by the City of Jacksonville's ~~Housing and Neighborhoods~~Housing & Community Development ~~Department~~Division prior to obtaining a mortgage loan.

The City of Jacksonville will use the minimum affordability standards under the federal HOME Investment Partnership Program which are listed below:

- Up to \$15,000 = 5 Years
- \$15,001 - \$40,000 = 10 Years
- Over \$40,000 = 15 Years
- New Construction = 20 Years

It is anticipated that a portion of the funds associated with this activity will be for households earning at or below 50% of AMI. This could be in the form of a rehabilitated single family or multifamily unit.

The City of Jacksonville will provide scoring considerations for partners proposing improving energy efficiency, conservation, or providing renewable energy source(s). These types of features will provide for long-term affordability and increased sustainability and attractiveness of housing and neighborhoods. If an abandoned or foreclosed-upon home or residential property is to be sold to an individual as a primary residence, no profit may be earned on such sale. Program income received from the sale or rental of assisted multifamily units will be recycled for eligible NSP activities.

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 Building ~~Department~~Division 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.

The City of Jacksonville will allow and pay for development fees that are fair and reasonable as part of the acquisition and rehabilitation process. Development fees and other soft/project related costs associated with the acquisition and rehabilitation shall be considered "Program Delivery" type costs and will be charged to the individual projects assisted. Development fees will be limited based upon program policies and procedures as outlined in the current Comprehensive Plan and Local Housing Assistance Plan as approved and adopted by City Council. These documents may be revised from time to time.

ACTIVITY 2 – Demolition / Clearance

- (1) **Activity Name:** Demolition/Clearance of Vacant, Blighted Structures (Tenure type: homeownership)
- (2) **Activity Type:**
- HERA 2008 §2301(c)(3)(D) – Demolish blighted structures
 - 24 CFR 570.201(d) – Clearance and Demolition of blighted structures only
- (3) **National Objective:**
- 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 percent of area median income
- (4) **Activity Description:**
If there is a vacant structure that has become a safety factor and or said vacant structure has added to the downturn in values for the area the funds would be used to demolish the structure and clear the property. This activity will compliment the current CDBG Demolition / Clearance activity currently in place and budgeted at \$450,000.
- (5) **Location Description:**
This activity will be carried out in the target areas.
- (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.

	Demolition / Clearance Units*
Total Projected Units	125198

*Based on an estimated cost of \$8,000 per unit of demolition or clearance

- (7) **Total Budget:**

	Demolition/Clearance
Total Projected Budget	\$ 1,000,00026,695

- (8) **Responsible Organization:**

City of Jacksonville, ~~Housing and Neighborhoods~~Housing & Community Development ~~Department~~Division, 214 N Hogan Street, 8th floor, Jacksonville, FL 32202; ~~Wight Greger~~Elaine D. Spencer, ~~Director~~Chief. ~~HANDH~~CDD will partner with the City of Jacksonville's Environmental and Compliance Department, Municipal Code Compliance Division.

(9) **Projected Start Date:** February 15, 2009

(10) **Projected End Date:** ~~January 1, 2013~~September 30, 2015

(11) **Specific Activity Requirements:**

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.

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 demolished.

ACTIVITY 3 – Land Banking

(1) **Activity Name:** Land Banking (Tenure type: homeownership ~~and rental~~)

(2) **Activity Type:**

- 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)

- ~~24 CFR 570.206 – Activity delivery costs for an eligible activity (as modified~~
~~by the NSP)~~

Formatted: Bulleted + Level: 1 + Aligned at:
0.57" + Tab after: 0.82" + Indent at: 0.82"

(3) **National Objective:**

24 CFR 570.208(a)(3) – Housing Activities

- 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 percent of area median income

(4) **Activity Description:**

A land banking entity will be selected to assemble, temporarily manage and dispose of vacant land in all areas of greatest need for the purpose of stabilizing

neighborhoods and to encourage re-use or redevelopment of urban property. The minimum purchase discount for all properties purchased with NSP funds shall adhere to the minimum required purchase discount for this activity type, as defined by HUD. ~~be at least 15 percent.~~

(5) **Location Description:**

This activity will be carried out in the target areas.

(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	Land Banking Units*
Low Income (0-50% AMI)	0
Moderate Income (51-80% AMI)	1660
Middle Income (81-120% AMI)	330
Total Projected Units	9316

*Based on an estimated cost of \$30,000 per unit of land acquired.

(7) **Total Budget:**

Income Level	Land Banking
Low Income (0-50% AMI)	\$ 0
Moderate/Middle Income (51-120% AMI)	500,000 1,720,369
Total Projected Budget	\$ 500,000

(8) **Responsible Organization:**

City of Jacksonville, ~~Housing and Neighborhoods~~ Housing & Community Development Department ~~Division~~, 214 N Hogan Street, 8th floor, Jacksonville, FL 32202; ~~Wight Greger~~ Elaine D. Spencer, ~~Director~~ Chief. The City of Jacksonville will solicit through multiple Requests for Proposals organizations/partners to participate in this activity.

(9) **Projected Start Date:** February 15, 2009

(10) **Projected End Date:** ~~January 1, 2013~~ September 30, 2015

(11) **Specific Activity Requirements:**

The land bank will 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 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 it 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 be used for additional activities in accordance with the NSP program.

ACTIVITY 4 – Financing Mechanisms

- (1) **Activity Name:** Financing Mechanisms for Purchase and Redevelopment of Foreclosed Homes and Other Residential Properties (Tenure-type: homeownership)
- (2) **Activity Type:**
 - 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
- (3) **National Objective:**
 - 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 percent of area median income
- (4) **Activity Description:**

Mechanisms for the purchase and redevelopment of foreclosed upon properties, including (but not limited to) soft second, loan loss reserves and shared-equity loans. This activity could also include delivery costs associated with the issuance of single family bond issues by the local HFA. However, the City's resale/recapture policy will apply to all properties purchased under NSP.
- (5) **Location Description:**

This activity will be carried out in the target areas.

(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	Public Financing*	Private Financing**
Low Income (0-50% AMI)	100	334
Moderate Income (51-80% AMI)	4450	44
Middle Income (81-120% AMI)	2230	22
Total Projected Units	6690	400

*Public financing provided in the form of downpayment assistance based on an estimated maximum cost of \$15,000 per unit.

**Private financing provided in the form of bond-financed first mortgages based on an estimated maximum cost of \$100,000 per unit and bond-financed multi-family rental properties. The determination to use bond financing for single- or multi-family purposes is estimated for the purposes of this application only and is dependent on market conditions and multi-family bond applications.

(7) **Total Budget:**

Income Level	Public Financing	Private Financing
Low Income (0-50% AMI)	\$ 0721,534	\$ 33,400,000
Moderate/Middle Income (51-120% AMI)	1,000,000 2,443,231	6,600,000
Total Projected Budget	\$ 1,000,000 3,164,765	\$ 40,000,000

(8) **Responsible Organization:**

City of Jacksonville, ~~Housing and Neighborhoods~~ Housing & Community Development Department ~~Division~~, 214 N Hogan Street, 8th floor, Jacksonville, FL 32202; ~~Wight Greger~~ Elaine D. Spencer, ~~Director~~ Chief. The City of Jacksonville will solicit through multiple Requests for Proposals organizations/partners to participate in this activity.

(9) **Projected Start Date:** February 15, 2009

(10) **Projected End Date:** ~~January 1, 2013~~ September 30, 2015

(11) **Specific Activity Requirements:**

Down payment 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. 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, but in no instance will the down payment assistance provided through the NSP program exceed 50% of the down payment. 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.

The City of Jacksonville will use the minimum affordability standards under the federal HOME Investment Partnership Program which are listed below:

- Up to \$15,000 = 5 Years
- \$15,001 - \$40,000 = 10 Years
- Over \$40,000 = 15 Years
- New Construction = 20 Years

ACTIVITY 5 – Redevelopment

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

(2) **Activity Type:**

- HERA 2008 §2301(c)(3)(E) – Redevelop demolished or vacant properties
- 24 CFR 570.201
 - (a) Acquisition
 - (b) Disposition
 - (c) Public Facilities and Improvements
 - (d) Public Services - Homeownership Counseling
 - (n) Direct Homeownership Assistance
- 24 CFR 570.204 Activities by Community Based Development Organizations
- 24 CFR 570.206 – Activity delivery costs for an eligible activity (as modified by the NSP)

Formatted: Indent: Left: 0.5", Hanging: 0.5", Right: -0.01"

Formatted: Indent: Left: 1", No bullets or numbering

(3) **National Objective:**

- 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 percent of area median income

(4) **Activity Description:**

The construction of single family units on vacant property will take place in all three areas of greatest need providing housing for households at or below 120% AMI.

(5) **Location Description:**

This activity will be limited to existing Community Housing Development Organization (CHDO) areas which are located within the target areas.

(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	Re-Development Units*
Low Income (0-50% AMI)	014
Moderate Income (51-80% AMI)	305
Middle Income (81-120% AMI)	100
Total Projected Units	3029

*Based on an estimated redevelopment cost of \$35,000 per unit.

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

Income Level	Re-Development
Low Income (0-50% AMI)	\$ 0400,000
Moderate/Middle Income (51-120% AMI)	1,057,7872,876,099
Total Projected Budget	\$ 1,057,7873,276,099

(8) **Responsible Organization:**

City of Jacksonville, ~~Housing and Neighborhoods~~Housing & Community Development DepartmentDivision, 214 N Hogan Street, 8th floor, Jacksonville, FL 32202; ~~Wight-Greger~~Elaine D. Spencer, ~~Director~~Chief. The City of Jacksonville will solicit through multiple Requests for Proposals organizations/partners to participate in this activity.

(9) **Projected Start Date:** February 15, 2009

(10) **Projected End Date:** ~~January 1, 2013~~September 30, 2015

(11) **Specific Activity Requirements:**

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. 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. 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.

CERTIFICATIONS

(1) **Affirmatively further fair housing.** The jurisdiction 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-lobbying.** The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(3) **Authority of Jurisdiction.** 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.

(4) **Consistency with Plan.** The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.

(5) **Acquisition and relocation.** The jurisdiction 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.

(6) **Section 3.** The jurisdiction 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.

(7) **Citizen Participation.** The jurisdiction 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.

(8) **Following Plan.** The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

(9) **Use of funds in 18 months.** The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP Notice, all of its grant funds within 18 months of receipt of the grant.

(10) **Use NSP funds \leq 120 of AMI.** The jurisdiction will comply with the requirement 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.

(11) **Assessments.** 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: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) 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 non-violent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws.** 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 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 will comply with applicable laws.

Kerri Stewart
Signature/Authorized Official

12/1/2008
Date

Mayor
Title

Kerri Stewart
Deputy Chief Administrative Officer
For: Mayor John Peyton
Under Authority of:
Executive Order No. 07-12

NSP Substantial Amendment Checklist

For the purposes of expediting review, HUD asks that applicants submit the following checklist along with the NSP Substantial Amendment and SF-424.

Contents of an NSP Action Plan Substantial Amendment

Jurisdiction(s): <u>City of Jacksonville</u> <i>(identify lead entity in case of joint agreements)</i> Jurisdiction Web Address: www.coj.net/Departments/Housing+and+Neighborhoods/default.htm	NSP Contact Person: Wight Greger <u>Elaine D. Spencer</u> Director <u>Chief Housing & Neighborhoods Housing & Community Development</u> 214 N. Hogan Street, 8 th Floor Jacksonville, FL 32202 Telephone (904) 255-8204 Fax: (904) 255-8285 Email: wgreger@coj.net
--	---

The elements in the substantial amendment required for the Neighborhood Stabilization Program are:

A. AREAS OF GREATEST NEED

Does the submission include summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction?

Yes ☒ No ☐ Verification found on page 5 - 9.

B. DISTRIBUTION AND USES OF FUNDS

Does the submission contain 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?

Yes ☒ No ☐ Verification found on page 10.

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

C. DEFINITIONS AND DESCRIPTIONS

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

- a definition of "blighted structure" in the context of state or local law,
 Yes ☒ No ☐ Verification found on page 11.
- a definition of "affordable rents,"

Yes ☒ No ☐ Verification found on page 11.

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

Yes ☒ No ☐ Verification found on page 11-12.

- a description of housing rehabilitation standards that will apply to NSP assisted activities?

Yes ☒ No ☐ Verification found on page 12.

D. LOW INCOME TARGETING

- Has the grantee described how it will meet the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?

Yes ☒ No ☐ Verification found on page 12.

- Has the grantee identified how the estimated amount of funds appropriated or otherwise made available will 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% of area median income?

Yes ☒ No ☐ Verification found on page 12.

Amount budgeted = \$6,600,000.

E. ACQUISITIONS & RELOCATION

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

Yes ☒ No ☐ (If no, continue to next heading)

Verification found on page 13.

If so, does the substantial amendment include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities?

Yes ☒ No ☐ Verification found on page 13.

- 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)?

Yes ☒ No ☐ Verification found on page 13.

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

Yes ☒ No ☐ Verification found on page 13.

F. PUBLIC COMMENT PERIOD

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

Yes ☒ No ☐ Verification found on page 13.

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

Yes ☒ No ☐ Verification found on page 13-14.

G. INFORMATION BY ACTIVITY

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

- eligible use of funds under NSP,
Yes ☒ No ☐ Verification found on page 15, 19, 21, 23, 25.
- correlated eligible activity under CDBG,
Yes ☒ No ☐ Verification found on page 15, 19, 21, 23, 25.
- the areas of greatest need addressed by the activity or activities,
Yes ☒ No ☐ Verification found on page 16, 20, 21, 23, 25.
- expected benefit to income-qualified persons or households or areas,
Yes ☒ No ☐ Verification found on page 16, 20, 22, 24, 26.
- does the applicant indicate which activities will count toward the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
Yes ☒ No ☐ Verification found on page 16.
- appropriate performance measures for the activity,
Yes ☒ No ☐ Verification found on page 16, 20, 22, 24, 26.
- amount of funds budgeted for the activity,
Yes ☒ No ☐ Verification found on page 16, 20, 22, 24, 26.
- the name, location and contact information for the entity that will carry out the activity,
Yes ☒ No ☐ Verification found on page 16, 20, 22, 24, 26.
- expected start and end dates of the activity?
Yes ☒ No ☐ Verification found on page 16, 20, 22, 24, 26.

- If the activity includes acquisition of real property, the discount required for acquisition of foreclosed upon properties,
Yes ☒ No ☐. Verification found on page 17, 21.
- If the activity provides financing, the range of interest rates (if any),
Yes ☒ No ☐. Verification found on page 17, 24, 26.
- If the activity provides housing, duration or term of assistance,
Yes ☒ No ☐. Verification found on page 17, 24, 26.
- tenure of beneficiaries (e.g., rental or homeownership),
Yes ☒ No ☐. Verification found on page 17, 24, 26.
- does it ensure continued affordability?
Yes ☒ No ☐. Verification found on page 18, 24, 26.

H. CERTIFICATIONS

The following certifications are complete and accurate:

- | | | |
|--|---|-----------------------------|
| (1) Affirmatively furthering fair housing | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (2) Anti-lobbying | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (3) Authority of Jurisdiction | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (4) Consistency with Plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (5) Acquisition and relocation | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (6) Section 3 | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (7) Citizen Participation | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (8) Following Plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (9) Use of funds in 18 months | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (10) Use NSP funds ≤ 120 of AMI | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (11) No recovery of capital costs thru special assessments | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (12) Excessive Force | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (13) Compliance with anti-discrimination laws | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (14) Compliance with lead-based paint procedures | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (15) Compliance with laws | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

**BOARD MEETING
SUBMISSION FORM**

(All information must be completed prior to Submission)

AGENDA NAME: NSP 3 Substantial Amendment and Program Income

(This is the name of the item to place on the Agenda)

Today's Date: 4/30/2014

Please check only one: ☐ JHFA ☒ JHCDC ☐ NWJEDF

Please check only one:

☐ Reports ☐ Staff Reports ☒ ACTION ITEM ☐ New Business ☐ Old Business

Name of Person/s that will be presenting item at the meeting: Laura Stagner-Crites

Background/Description: Staff is requesting approval for the revision of the NSP 3 Substantial Amendment as well as the Program Income. A redline version of the Amendment is attached.

Are funds available for this item (if applicable): ☒ Yes ☐ No ☐ N/A



Finance Dir. or Senior Acct. Signature

RECOMMENDATION:

ATTACHMENTS
(Check Here if N/A ☐)

<p style="text-align: center;">Name of Attachment1 NSP 3 Substantial Amendment (Redlined)</p> <p>Name of Person/s responsible for submitting attachment D. Coles</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p style="text-align: center;">Name of Attachment2</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p style="text-align: center;">Name of Attachment3</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p style="text-align: center;">Name of Attachment4</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>

Moved: _____ Second: _____ Other: _____ Quorum # _____

Motion Note:

NSP 3 Substantial Amendment

City of Jacksonville, Florida (Duval County)

January 2011

~~Revised October 2013~~ May 2014

Formatted: Font: Italic

~~NSP Contact Information:~~

~~Wight Greger~~ Elaine D. Spencer, Director Chief

~~Housing & Neighborhoods Department~~

~~214 N. Hogan Street -- 8th Floor~~

~~Jacksonville, FL 32202~~

~~(904) 255-8200~~

~~wgreger@coj.net~~

Table of Contents

Application for Federal Assistance (SF-424 Forms).....	3
A. Areas of Greatest Need	4
Percentage of Foreclosures	5
Sub prime (High Cost Loans)	5
Areas at Risk	5
Target Area(s)	6
Supporting Rationale for the Target Area Selection	7
B. Definitions and Descriptions	<u>109</u>
(1) "Blighted Structure"	<u>109</u>
(2) "Affordable Rents"	<u>109</u>
(3) "Continued Affordability"	<u>109</u>
(4) "Housing Rehabilitation Standards"	<u>1110</u>
(5) "Rental Housing Preference"	<u>111011</u>
(6) "Vicinity Hiring"	<u>1211</u>
D. Low Income Targeting.....	<u>1211</u>
E. Acquisitions & Relocation	<u>1211</u>
F. Public Comment (to be inserted later).....	<u>1211</u>
G. NSP Information by Activity	<u>131211</u>
ACTIVITY 1 – Acquisition / Rehabilitation / Resale.....	<u>1312</u>
ACTIVITY 2 – Demolition / Clearance	<u>1615</u>
ACTIVITY 3 – Land Banking	<u>1817</u>
ACTIVITY 4 – Financing Mechanisms.....	<u>212019</u>
ACTIVITY 5 – Redevelopment.....	<u>2322</u>
Certifications	<u>272526</u>
NSP Substantial Amendment Checklist.....	<u>292728</u>
HUD Mapping Tool Report Information.....	<u>323032</u>

Application for Federal Assistance (SF-424 Forms)

APPLICATION FOR FEDERAL ASSISTANCE		Version 7/03	
1. TYPE OF SUBMISSION: Application		2. DATE SUBMITTED 2/15/11	Applicant Identifier
<input type="checkbox"/> Construction		3. DATE RECEIVED BY STATE	State Application Identifier
<input checked="" type="checkbox"/> Non-Construction		4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier
5. APPLICANT INFORMATION			
Legal Name: City of Jacksonville		Organizational Unit: Department: Housing and Neighborhoods Department	
Organizational DUNS: 0040076998		Division: Office of the Director	
Address: Street: 214 N. Hogan Street, Suite 800		Name and telephone number of person to be contacted on matters involving this application (give area code) Prefix: First Name Wright	
City: Jacksonville		Middle Name S	
County: Duval		Last Name Grager	
State: Florida		Suffix:	
Zip Code 32202		Email: wgrager@coj.net	
Country: USA		Phone Number (give area code) 904 255-8204	
6. EMPLOYER IDENTIFICATION NUMBER (EIN) [5][0]-[6][0][0][0][4][4]		Fax Number (give area code) 904 255-8285	
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.)		7. TYPE OF APPLICANT: (See back of form for Application Types) County (Urban) Other (specify)	
Other (specify)		9. NAME OF FEDERAL AGENCY: U.S. Department of Housing and Urban Development	
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: [1][4]-[2][1][8] TITLE (Name of Program) Neighborhood Stabilization Program 3		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	
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): Duval		14. CONGRESSIONAL DISTRICTS OF: a. Applicant Congressional District 3 b. Project Congressional District 3	
13. PROPOSED PROJECT Start Date: 4/1/11 Ending Date: 4/1/14		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS? a. Yes. <input checked="" 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	
15. ESTIMATED FUNDING: a. Federal \$ 7,102,937 b. Applicant \$ c. State \$ d. Local \$ e. Other \$ f. Program Income \$ g. TOTAL \$ 7,102,937		17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes" attach an explanation <input checked="" type="checkbox"/> No	
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.			
a. Authorized Representative Prefix Mr. Last Name Peyton b. Title Mayor c. Signature of Authorized Representative [Signature] Previous Edition Usage Authorized for Local Reproduction		Middle Name Suffix d. Telephone Number (give area code) 904 630-1776 e. Date Signed 2/15/11	

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> <i>(identify lead entity in case of joint agreements)</i>	NSP Contact Person: Wight Greger <u>Elaine D. Spencer</u> Director Housing & Neighborhoods <u>Chief, Housing & Community Development Division</u>
Jurisdiction Web Address: <ul style="list-style-type: none">www.coj.net/Departments/Housing+and+Neighborhoods/default.htm	214 N. Hogan Street, 8th Floor Jacksonville, FL 32202 Telephone(904) 255-8204 Fax: (904) 255-8285 Email: wgreger@coj.net<u>espenencer@coj.net</u>

Comment [LSC1]:
Verify link

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, 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 was the first month that Jacksonville was in RealtyTrac's Top 20 U.S. cities with the highest rates of foreclosure. In May, the Jacksonville metro area jumped 57 percent from April, and 42 percent from May of 2009. Jacksonville had 2,805 foreclosure filings in March, and the

foreclosure rate dipped to 2,415 filings in April. 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 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, we 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 the 23. Multi-Family Residential properties are the second largest group at 4 of the 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 S/F unit and \$17,597 per M/F 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

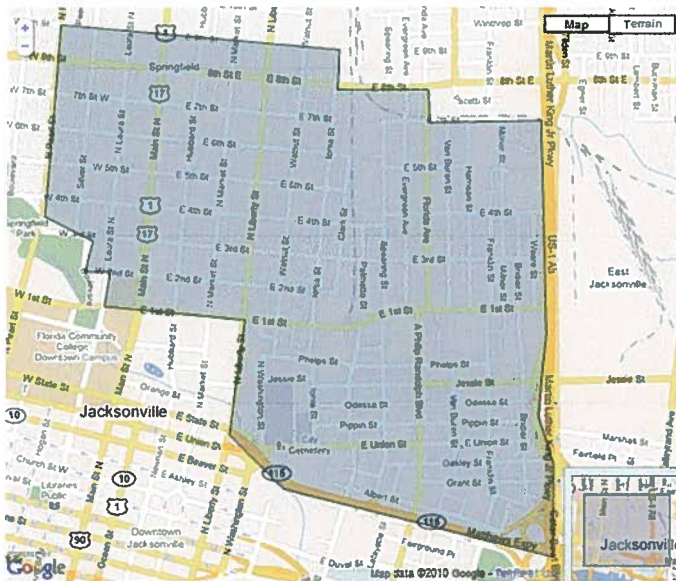
The City of Jacksonville/Duval County utilized HMDA Census Tract data, United States Postal System (USPS) data, FHFA and JHFA data, along with information from our local Tax Collector, to determine the areas that will likely face a significant rise in the rate of home foreclosures.

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 our 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 of 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.





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 its borders, which will provide jobs and job training in proximity 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 NSP3 Allocation:

	Total (Entitlement)	Total (Program Income)	Grand Total	50% and Below	# of Units	51-120%	# of Units
Administration [Note 1]	\$ 710,294	\$ 55,305	\$ 765,599	-	0	765,599	0
Acquisition/Rehab/Resale HO	2,275,000	-	\$ 2,275,000	-	0	2,275,000	0
Acquisition/Rehab Multifamily	2,202,643	-	\$ 2,202,643	900,000	6	1,302,643	10
Demolition/Clearance	-	-	\$ -	-	0	-	0
Redevelopment [Note 2]	1,915,000	\$ 497,746	\$ 2,412,746	1,125,000	12	1,287,746	8
TOTAL	\$ 7,102,937	\$ 553,051	\$ 7,655,988	\$ 2,025,000	18	\$ 5,630,988	18

Note 1 - 10% of future program income collected within the program will be appropriated to Administration to provide funding for the continued administration of the program.

Note 2 - 90% of future program income collected within the program will be appropriated to Redevelopment to provide funding for the continued construction activities of the program.

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

Formatted: Font: 10 pt, Bold

There are hereby established Revenue Fund accounts into which all proceeds and program income including rental payments, pursuant to programs funded from revenues made available by the United States or the State of Florida, shall be made, and accrued interest earned, shall be deposited, and from which funds shall only be disbursed for uses in accordance with federal program guidelines of the U.S. Department of Housing and Urban Development and any applicable program guidelines of the State of Florida. The programs will be administered in compliance with applicable federal, state and local laws, rules and regulations using forms and procedures developed by the Housing and Community Development Division within approved budget limits.

For program income and principal or interest received from the repayments of loans under the Neighborhood Stabilization Program (NSP 3), in compliance with the requirements of the Dodd-Frank Act of 2010, the Mayor, or his or her designee, shall have the authority to transfer funds to any unpaid contract amounts of NSP 3 and housing projects approved by prior City Council ordinances and shall be used to fund any unpaid amounts under said contracts prior to the use of NSP 3 entitlement proceeds appropriated by Council, subject to the requirements of the City's Procurement Code and the Division's master RFP for the program. Other than as provided herein, program income and principal or interest received from repayments of loans under the NSP 3 shall not be used for any other expenditure or use without further approval and appropriation by the Council.

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, and
- Increase in 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 arrests 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”

Per the City of Jacksonville’s Local Housing Assistance Plan as adopted by City Council, an affordable unit is defined as a unit in which the monthly rent or mortgage payment including taxes and insurance does not exceed 30 percent of the monthly gross income for the household. This is based on monthly housing payments (PITI) of not more than 30 percent. However, it is not the intent to limit an individual household’s ability to devote more than 30 percent of its income for housing. Housing for which a household devotes more than 30 percent of its income shall be deemed affordable, if the first institutional mortgage lender is satisfied that the household can afford monthly payments in excess of the 30 percent benchmark. 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](#) [Housing and Community Development Division](#) of the City of Jacksonville. These standards may be revised from time to time.

Newly constructed housing must meet the Florida Energy Efficiency Code for Building Construction. In addition, the City of Jacksonville shall require that all housing construction incorporate modern, green building and energy-efficient improvements in all NSP activities 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 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 this area. 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 and the City’s existing Section 3 Action Plan.

D. Low Income Targeting

The City of Jacksonville will set aside at least \$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~~[Housing and Community Development Division](#) 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 or convert 93 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 Housing and Community Development Division](#), as well as our website at

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)

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, consists 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 & Neighborhoods 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 Housing and Community Development Division](#) 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:

City of Jacksonville
~~February 18, 2011~~ [October 2013](#) [May 2014](#)

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. 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 and Neighborhoods Department](#) [Housing and Community Development Division](#) 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

Comment [RJ2]: I apologize, but I am unsure to what Tenure of Beneficiaries is referencing.

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

See NSP3 Allocation Chart on page ().

(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

See NSP3 Allocation Chart on page ().

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

- (8) **Responsible Organization:** City of Jacksonville, [Housing and Neighborhoods Department](#) [Housing and Community Development Division](#), 214 N Hogan Street, 8th floor, Jacksonville, FL 32202; [Wight Greger Elaine D. Spencer](#), 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: February 28, 2011

Projected End Date: January 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

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

Comment [RJ3]: I apologize, but I am unsure to what Tenure of Beneficiaries is referencing.

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 S/F 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 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	Demolition / Clearance
Total Projected Budget	\$400,000

[See NSP3 Allocation Chart on page \(\).](#)

(6) **Performance Measures:**

[See NSP3 Allocation Chart on page \(\)](#)

	Demolition / Clearance Units
Total Projected Units	80

Formatted: Font: Not Bold

Formatted: Font: Bold

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

- (8) **Responsible Organization:** City of Jacksonville, [Housing and Neighborhoods Department](#)[Housing and Community Development Division](#), 214 N Hogan Street, 8th floor, Jacksonville, FL 32202; [Wight Greger Elaine D. Spencer, Director](#)[Chief](#). 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

Comment [RJ4]: I apologize, but I am unsure to what Tenure of Beneficiaries is referencing.

- 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, the City's [Housing and Neighborhoods Department](#) [Housing and Community Development Division](#) 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

[See NSP3 Allocation Chart on page \(\)](#)

(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

See NSP3 Allocation Chart on page ()

- (7) **Projected Start Date:** March 31, 2011
Projected End Date: April 1, 2014
- (8) **Responsible Organization:** City of Jacksonville, ~~Housing and Neighborhoods~~
~~Department~~Housing and Community Development Division, 214 N Hogan Street, 8th
floor, Jacksonville, FL 32202; ~~Wight Greger~~Elaine D. Spencer, ~~Director~~Chief. 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. ~~(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.

Comment [R35]: I apologize, but I am unsure to what Tenure of Beneficiaries is referencing.

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	\$0
Total Projected Budget	\$500,000	\$0

[See NSP3 Allocation Chart on page \(\)](#)

(6) **Performance Measures:**

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

*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 \$82,000 per unit.

[See NSP3 Allocation Chart on page \(\)](#)

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

- (8) **Responsible Organization:** City of Jacksonville, [Housing and Neighborhoods Department](#) [Housing and Community Development Division](#), 214 N Hogan Street, 8th floor, Jacksonville, FL 32202; ~~Wight Greger~~ [Elaine D. Spencer](#), ~~Director~~ [Chief](#). 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

- (c) Public Facilities and Improvements
- (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. 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. 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.

Comment [RJ6]: I apologize, but I am unsure to what Tenure of Beneficiaries is referencing.

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.

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, the City's [Housing and Neighborhoods Department](#) [Housing and Community Development Division](#) 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 to 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

[See NSP3 Allocation Chart on page \(\)](#)

(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

[See NSP3 Allocation Chart on page \(\)](#)

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

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

CERTIFICATIONS

(1) **Affirmatively further fair housing.** The jurisdiction 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-lobbying.** The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(3) **Authority of Jurisdiction.** 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.

(4) **Consistency with Plan.** The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.

(5) **Acquisition and relocation.** The jurisdiction 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.

(6) **Section 3.** The jurisdiction 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.

(7) **Citizen Participation.** The jurisdiction 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.

(8) **Following Plan.** The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

(9) **Use of funds in 18 months.** The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP Notice, all of its grant funds within 18 months of receipt of the grant.

(10) **Use NSP funds \leq 120 of AMI.** The jurisdiction will comply with the requirement 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.

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.

NSP Substantial Amendment Checklist

The checklist below is an optional tool for NSP3 grantees to help to ensure that all required elements of the NSP3 Substantial Amendment or the Abbreviated Plan are submitted to HUD. This checklist only includes the minimum required elements that must be included in the NSP3 Action Plan and grantees may want to add additional details. This document must be protected, as described above, in order to use the checkboxes in this checklist.

1. NSP3 Grantee Information

	Yes
Did you include the Program Administrator's name, address, phone, and email address?	<input type="checkbox"/>

2. Areas of Greatest Need

	Yes
Does the narrative description describe how funds will give priority emphasis to areas of greatest need?	<input type="checkbox"/>
Does the narrative description specifically address how the funds will give priority emphasis to those areas:	
• With the highest percentage of home foreclosures?	<input type="checkbox"/>
• With the highest percentage of homes financed by subprime mortgage related loan?; and	<input type="checkbox"/>
• Identified by the grantee as likely to face a significant rise in the rate of home foreclosures?	<input type="checkbox"/>
Did you create the area of greatest needs map at http://www.huduser.org/NSP/NSP3.html ?	<input type="checkbox"/>
Did you include the map as an attachment to your Action Plan?	<input type="checkbox"/>
<i>ONLY Applicable for States:</i> Did you include the needs of all entitlement communities in the State?	<input type="checkbox"/>

3. Definitions and Descriptions

	Yes
Are the following definitions and topics included in your substantial amendment?:	
• Blighted structure in context of state or local law,	<input type="checkbox"/>
• Affordable rents,	<input type="checkbox"/>
• Ensuring long term affordability for all NSP funded housing projects,	<input type="checkbox"/>

<ul style="list-style-type: none"> • Applicable housing rehabilitation standards for NSP funded projects 	<input 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?	<input type="checkbox"/>
Did you provide a summary describing how your jurisdiction will meet its low-income set aside goals?	<input type="checkbox"/>

5. Acquisition & Relocation

	Yes
For all acquisitions that will result in displacement did you specify:	
<ul style="list-style-type: none"> • The planned activity, 	<input type="checkbox"/>
<ul style="list-style-type: none"> • The number of units that will result in displacement, 	<input type="checkbox"/>
<ul style="list-style-type: none"> • The manner in which the grantee will comply with URA for those residents? 	<input 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 type="checkbox"/>
Did you include the public comments you received on the NSP3 substantial amendment in your plan?	<input 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 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 type="checkbox"/>
<ul style="list-style-type: none"> • Correlated eligible CDBG activity or activities? 	<input type="checkbox"/>
<ul style="list-style-type: none"> • Associated national objective? 	<input type="checkbox"/>
<ul style="list-style-type: none"> • How the activity will address local market conditions? 	<input type="checkbox"/>
<ul style="list-style-type: none"> • Range of interest rates (if any)? 	<input type="checkbox"/>
<ul style="list-style-type: none"> • Duration or term of assistance? 	<input type="checkbox"/>

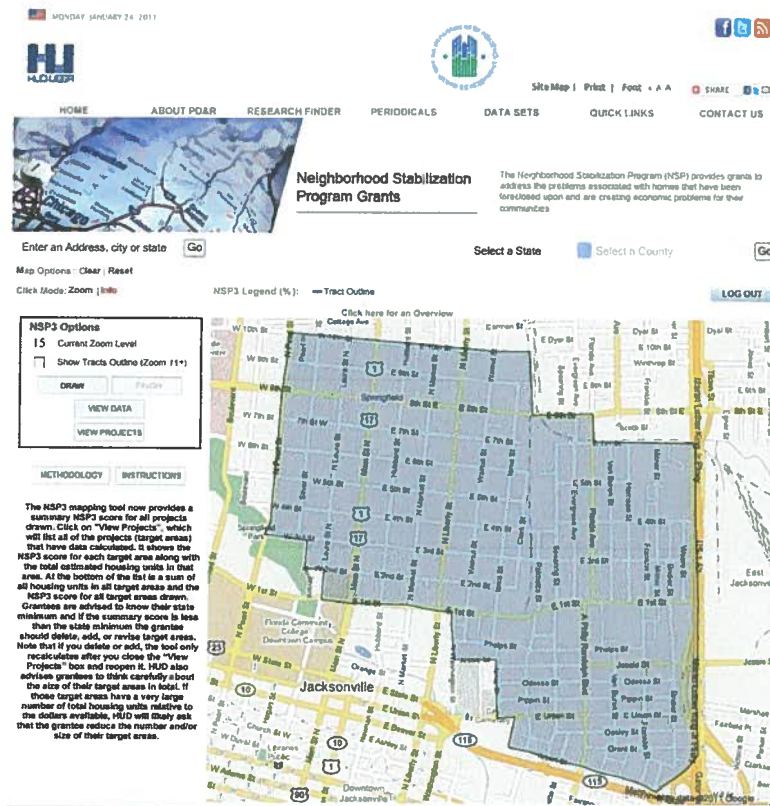
• Tenure of beneficiaries (e.g. rental or homeowner)?	<input type="checkbox"/>
• If the activity produces housing, how the design of the activity will ensure continued affordability?	<input type="checkbox"/>
• How you will, to the maximum extent possible, provide for vicinity hiring?	<input type="checkbox"/>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

8. Certifications

	Yes
Did you sign and submit the certification form applicable to your jurisdiction?	<input type="checkbox"/>

9. Additional Documentation

	Yes
Did you include a signed SF-424?	<input type="checkbox"/>



<http://www.huduser.org/NSP/NSP3.html>

01/24/2011

HUD Mapping Tool Report Information

City of Jacksonville

Page 32 of 36

February 18, 2011 October 2013 May 2014

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 of 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 never 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 the 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

City of Jacksonville

Page 33 of 36

~~February 18, 2011~~ ~~October 2013~~ May 2014

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 to ensure 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

Comment [TMB7]: I am not sure what "Place" stands for. Is it the correct word or should "Jacksonville" be inserted?

Comment [TMB8]: I am not sure what "Place" stands for. Is it the correct word or should "Jacksonville" be inserted?

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 -81.647429 30.347954 -81.645584 30.347954 -81.645412 30.345028 -81.643910 30.345065 -81.642237 30.345102 -81.642194 30.343806 -81.636829 30.343769 -81.636786 30.340176 -81.636615 30.336435 -81.636615 30.333732 -81.636658 30.332139 -81.636529 30.329472 -81.637087 30.328842 -81.637602 30.328472 -81.638331 30.328064 -81.638718 30.327768 -81.639533 30.328138 -81.640735 30.328472 -81.641765 30.328657 -81.642709 30.328953 -81.643782 30.329138 -81.644425 30.329324 -81.645455 30.329583 -81.646271 30.329731 -81.646528 30.329805 -81.646185 30.331176 -81.647129 30.331102 -81.647215 30.333806 -81.649446 30.333806 -81.649532 30.334658 -81.649618 30.335435 -81.649575 30.335991 -81.650391 30.336028 -81.651936 30.336287 -81.653395 30.336324 -81.655025 30.336361 -81.656528 30.336510 -81.656399 30.337917 -81.657429 30.337954 -81.657300 30.339250 -81.659532 30.339510 -81.659231 30.340102 -81.659188 30.340843 -81.658931 30.343436 -81.658716 30.346102 -81.658459 30.347473

Blocks Comprising Target Neighborhood

120310004001013, 120310004001014, 120310004001015, 120310004001016, 120310004001017, 120310004001018, 120310004001031, 120310004001032, 120310004001033, 120310004001034, 120310004001035, 120310004001036, 120310004001037, 120310004001038, 120310004001039, 120310004002003, 120310004002004, 120310004002005, 120310004002006, 120310004002007, 120310004002008, 120310004002009, 120310004002010, 120310004002011, 120310004002012, 120310004002013, 120310004002014, 120310004002015, 120310004002016, 120310004002017, 120310004002018, 120310004002019, 120310004003000, 120310004003002, 120310004003003, 120310004003004, 120310004003005, 120310004003006, 120310004003007, 120310004003008, 120310004003009, 120310004003010, 120310004003011, 120310004003012, 120310004003013, 120310004003014, 120310004003015, 120310004003016, 120310004003017, 120310004003018, 120310004003019, 120310004003020, 120310004003021, 120310004003022, 120310004003023, 120310004003024, 120310004003025, 120310004003026, 120310004003027, 120310004003028, 120310004003029, 120310004003030, 120310004003031, 120310004003032, 120310004003033, 120310005002000, 120310005002001, 120310005002002, 120310005002003, 120310005002004, 120310005002005, 120310005002006, 120310005002007, 120310005002008, 120310005002009, 120310005002010, 120310005002011, 120310005002012, 120310005002013, 120310005002014,

120310005002015, 120310005002017, 120310005002018, 120310005002019, 120310005002020,
120310005002022, 120310005002023, 120310005002024, 120310005002025, 120310005002026,
120310005002027, 120310005002059, 120310005002060, 120310005002061, 120310010001000,
120310010001001, 120310010001002, 120310010001003, 120310010001004, 120310010001005,
120310010001006, 120310010001007, 120310010001017, 120310010001018, 120310010001019,
120310010001020, 120310010004000, 120310011001000, 120310011001001, 120310011001002,
120310011001003, 120310011001004, 120310011001005, 120310011001006, 120310011001007,
120310011001008, 120310011001009, 120310011001010, 120310011001011, 120310011001012,
120310011001013, 120310011001014, 120310011001015, 120310011001016, 120310011002000,
120310011002001, 120310011002002, 120310011002003, 120310011002004, 120310011002005,
120310011002006, 120310011002007, 120310011002008, 120310011002009, 120310011002010,
120310011002011, 120310011002012, 120310011003000, 120310011003001, 120310011003002,
120310011003003, 120310011003004, 120310011003005, 120310011003006, 120310011003007,
120310011003008, 120310011003009, 120310011004000, 120310011004001, 120310011004002,
120310011004003, 120310011004009, 120310011004010, 120310011004013, 120310011004014,
120310011004015, 120310011004016, 120310011004017, 120310012001012, 120310012001013,
120310012001014, 120310012001015, 120310012001016, 120310012001017, 120310012001018,
120310012001019, 120310012001020, 120310012001021, 120310012002000, 120310012002001,
120310012002002, 120310012002003, 120310012002004, 120310012002005, 120310012002006,
120310012002007, 120310012002008, 120310012003008, 120310012003009, 120310012003010,
120310012003011, 120310012003012, 120310012003013, 120310012003014, 120310012003015,
120310012003016, 120310012003017, 120310012003018, 120310012004000, 120310012004005,
120310012004006, 120310012005010, 120310012005012,

**BOARD MEETING
SUBMISSION FORM**

(All information must be completed prior to Submission)

**AGENDA NAME: Reduction of H2H funds & Increase to CHDO pool
(FY 13/14 – HOME)**

Today's Date: 4/30/2014

Please check only one: ☐ JHFA ☒ JHCDC ☐ NWJEDF

Please check only one:

☐ Reports ☐ Staff Reports ☒ ACTION ITEM ☐ New Business ☐ Old Business

Name of Person/s that will be presenting item at the meeting: Laura Stagner-Crites

Background/Description: There has been a shift in the number of home sales within Jacksonville over the past year and as a result; homes sales that require assistance has diminished. Staff is requesting approval to reduce the amount appropriated for the Head Start to Homeownership in the amount of \$1,512,065 to \$512,065 and increase the CHDO Reserve from \$324,014 to \$1,324,014.

Are funds available for this item (if applicable): ☒ Yes ☐ No ☐ N/A


Finance Dir. or Senior Acct. Signature

RECOMMENDATION:

ATTACHMENTS
(Check Here if N/A ☐)

<p style="text-align: center;">Name of Attachment1 H2H to CHDO Spreadsheet</p> <p>Name of Person/s responsible for submitting attachment Dayatra M. Coles</p> <p>Are there signatures required? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p style="text-align: center;">Name of Attachment2</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p style="text-align: center;">Name of Attachment3</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p style="text-align: center;">Name of Attachment4</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>

Moved: _____ Second: _____ Other: _____ Quorum # _____

Motion Note:


City of Jacksonville
Housing & Community Development Division
Jacksonville Housing & Community Development Commission

Item I.A. - HOME Head Start to Homeownership Appropriation

Recommend To Reduce:	For:	Amount
Housing & Community Development Division	Head Start to Homeownership Appropriation for FY 13/14	\$ 1,512,065.00
	Reduction Amount	<u>\$ (1,000,000.00)</u>
	Total Recommended Appropriation & Award	<u>\$ 512,065.00</u>

Item I.B. - HOME CHDO Reserve

Recommend Award To:	For:	Amount
Housing & Community Development Division	Administrative Activities	\$ 324,014.00
	Increase Amount	<u>\$ 1,000,000.00</u>
	Total Recommended Appropriation & Award	<u>\$ 1,324,014.00</u>

Certified by:  _____
Director of Finance or Senior Accountant of HCDD
Date: 4/25/2014

**BOARD MEETING
SUBMISSION FORM**

(All information must be completed prior to Submission)

AGENDA NAME: FY 2014/2015 Universal Application

(This is the name of the item to place on the Agenda)

Today's Date: 4/30/2014

Please check only one: ☐ JHFA ☒ JHCDC ☐ NWJEDF

Please check only one:

☐ Reports ☐ Staff Reports ☐ ACTION ITEM ☒ New Business ☐ Old Business

Name of Person/s that will be presenting item at the meeting: LaCree Carswell

Background/Description: We appreciate that this Division has new Commission members; therefore, staff has submitted a White Paper that describes our Universal Application process. This is critical for this body as HCDD is currently within the UA time period and recommendations will be made no later than the June 18, 2014 Commission Meeting.

Are funds available for this item (if applicable): ☐ Yes ☐ No ☒ N/A _____
Finance Dir. or Senior Acct. Signature

RECOMMENDATION:

**ATTACHMENTS
(Check Here if N/A ☐)**

<p style="text-align: center;">Name of Attachment1 UA White Paper</p> <p>Name of Person/s responsible for submitting attachment LaCree Carswell/Dayatra M. Coles</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p style="text-align: center;">Name of Attachment2</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p style="text-align: center;">Name of Attachment3</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p style="text-align: center;">Name of Attachment4</p> <p>Name of Person/s responsible for submitting attachment</p> <p>Are there signatures required? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>

Moved: _____ Second: _____ Other: _____ Quorum # _____

Motion Note:

PLANNING AND DEVELOPMENT DEPARTMENT
HOUSING AND COMMUNITY DEVELOPMENT DIVISION



Universal Application Process

This document outlines the Universal Application process of the Housing and Community Development Division (HCDD) of the Planning and Development Department.

This document outlines the Universal Application process of the Housing and Community Development Division (HCDD) of the Neighborhoods Department pertaining to the following Federal & State Programs:

- Housing Opportunities for Persons with AIDS – HOPWA
- HOME Investment Partnership Program – HOME
- Community Development Block Grant – CDBG
- Emergency Solutions Grant – ESG
- State Housing Initiative Partnership - SHIP

THE CONSOLIDATED PLAN UNIVERSAL APPLICATION PROCESS

The Consolidated Plan, Universal Application Process, was developed in accordance with 24 Code of Federal Regulations (CFR) Part 91, et al., *Consolidated Plan and Action Plan for Community Planning and Development Programs*. The regulations require each jurisdiction to submit a Consolidated Plan-Action Plan to Federal HUD at least 45 days prior to the start of its program year as a pre-requisite to receive funds under the formula grant programs listed below:

Community Development Block Grant Program (CDBG) – CDBG funding supports neighborhood revitalization and affordable housing programs, i.e., construction or reconstruction of infrastructure and/or public facilities, housing rehabilitation, and public services. At least 70 percent of funds must directly benefit persons whose income does not exceed 80 percent of the median family income guidelines for Duval County.

HOME Investment Partnerships Program (HOME) – HOME funding is designed to expand the supply of safe and affordable housing within Duval County. Expansion of affordable housing is accomplished through ownership or rental development activities, which includes rehabilitation and construction of rental and ownership housing, down payment and closing assistance for income eligible homebuyers, a regulatory Community Housing Development Organization (CHDO) set-aside of at least (15%) for the development of neighborhood action areas, and CHDO operating funds (not to exceed 5% of allocation).

Emergency Solutions Grant Program (ESG)– ESG funding supports activities designed to improve the quality of existing emergency homeless shelters through renovation, rehabilitation, and/or conversion of emergency shelter buildings. Funding also supports essential services and operating costs of homeless shelters, as well as, supports agencies that provide social services, outreach, case management, and support assistance in the prevention of homelessness.

Housing Opportunities for Persons with AIDS (HOPWA) – HOPWA funding provides housing assistance and supportive services for low-income persons and their families living with HIV/AIDS through social service agencies. Social services agencies provide outreach, case management, short-term rent, mortgage and utility payments and support services.

The purpose of the Consolidated Plan is to combine the planning, application and reporting aspects of HUD's formula programs using one collaborative process. A complete submission must be made every five years and an Action Plan must be submitted annually. Contents of the Action-Plan include:

- Form Application
- Resources
- Consultation and Citizen Participation
- Geographic Distribution
- Certifications
- Homeless and Other Special Needs Activities
- Program Specific Requirements
- Activities
- Monitoring

Pursuant to 24 CFR Part 91, et al., the City of Jacksonville is required to have a citizen participation plan. In order to be in compliance with HUD, the jurisdiction must hold at least one public hearing. To ensure maximum public notification and involvement, HCDD conducts at least two public hearings at locations convenient to public transportation and to maximize participation. The HCDD team also makes this information available to the six (6) Citizen Planning Advisory Committees (CPACs) to increase citizen participation. The citizen participation process results in the determination of priorities for funding, such as: neighborhood revitalization/beautification, housing rehabilitation/development, and economic development/job creation.

MANDATORY TECHNICAL ASSISTANCE WORKSHOPS

Mandatory Technical Assistance workshops are designed to advise and educate future applicants on the competitive nature of the grants, the grant application process, project eligibility and provide information to assist with application preparation, in accordance with programs outlined within the Consolidated Plan. The workshops are also held to enhance the quality of applications for services that will ultimately provide the most comprehensive services to the citizens of the City.

Each workshop was facilitated by the HCDD team. The core objectives of all of the funding programs are explained in detail, followed by break-out sessions for each area of funding. During the break-out sessions, an enhanced analysis of the application components and requirements are reviewed. A sample application that successfully completed every threshold component and scored high is reviewed and distributed.

All public and non-profit, 501(c)(3), agencies applying for funds, are required to attend at least one technical assistance workshop. No applications are accepted from agencies that do not attend a mandatory technical assistance and budget workshop. In addition to the technical assistance workshops, a Mandatory Budget workshop is also held. All organizations interested in making application through the Universal Application process are directed to attend in order ensure their agency's financial staff responsible for managing the grant are present. The HCDD Finance team provides guidance on critical elements associated with completing and submitting financial audits and statements.

Training for each funding strategy is conducted on the requirements for completing the budget section related to public services, public facilities and improvement and housing related activities. The HCDD team also strongly emphasized the need for submitting complete budget information for their proposed project. Sample budget and leveraging forms are reviewed and dispersed to ensure that applicants understand the requirements of the Audit/Financial Statements and Budget/Leveraging factor. An explanation is provided that identifies this as a critical component and could result in failure to meet the threshold requirements.

If, after attending any of the workshops, applicants need additional assistance, HCDD staff members are available on Wednesday's from 9 a.m. to noon during the Universal Application timeline. The HCDD financial staff are also available throughout the application process to provide financial technical assistance.

The federal grant applications are made available on the COJ website and through advertisements in the Florida Times Union and the Florida Star. Applications are accepted from public and private non-profit 501(c)(3) agencies until the predetermined date and time. All proposed projects must meet the Consolidated Plan program national objectives of benefiting low and moderate income persons, aiding in the elimination, and/or the prevention of slum and blight.

THE UNIVERSAL APPLICATION (UA) REVIEW PROCESS

During the months of April through June (generally), committees comprised of staff members with regulatory background, contract management and oversight of federal programs, as well as, financial staff with accounting and financial review expertise conducted review each phase of the Universal Application Process, as outlined below:

Phase I of the UA Review Process (Pre-screening Review Process) - including an application pre-screening evaluation that reviews the following five (5) threshold items:

1. application signed and approved by Board or signed by a designated representative
2. proof of IRS designation as a public agency or 501 (c)(3)
3. submittal of most recent audit or annual financial statement
4. proposed project/program meets a national objective of the program
5. budget is complete and accurate

Phase II of the UA Review Process (Agency Background & Capacity/Project Review Process)

This includes a review of the agency's background and experience, agency capacity, statement of need, project description, program delivery, coordination, leveraging other funds, and budget.

Phase III of the UA Review Process (Extensive Financial Review Process)

This review includes a substantial review of the project budget, leverage, and match commitments to the project, as well as the accuracy and feasibility of the project budget. This review is conducted by the HCDD Financial Director and Senior Accountant. The financial review includes the analysis of the agency's financial capacity, fiscal planning, audit, management letter (if applicable), financial statements, and past financial performance.

Phase IV of the UA Process (Evaluation Quality Control Process)

The managers for Community Development and Housing lead the evaluation review teams to provide quality controls, internal controls, oversight and management of the process. An evaluation team comprised of the program managers, senior human services planners, project coordinator, planners, and junior planners collaborated on all of the above phases of the application review process. The teams worked closely together to ensure a standard of excellence, quality control, and transparency.

Phase V of the UA Process (Funding Recommendation Process)

The staff recommendations, fact sheets, and scoring evaluation tools were submitted to the Division Chief for review, consideration, and forwarding to the Director for discussion with the Administration. Once City approval to move forward is received, the recommendations are forwarded to the Jacksonville Housing and Community Development Commission for review and approval. The Commission reviews and approves the HCDD staff recommendations between June and July.

Following the approval by the Jacksonville Housing and Community Development Commission, a draft Consolidated Plan Action plan is prepared. Copies of the proposed plan are made available at the HDCC office and on the COJ website. A public comment hearing regarding the Consolidated Plan-Action Plan is to be held and public comments are accepted in writing.

Once the Commission has approved the Universal Application recommendations, legislation is drafted and forwarded for Council consideration and approval. Upon approval from City Council, staff proceeds to coordinate with the Office of General Council to generate corresponding contracts for the awarded agencies.