

NSP Grant Request Forms & Checklist

NSP grant allocations can be requested by submitting a paper NSP Substantial Amendment or a form under the Disaster Recovery Grant Reporting (DRGR) system. This template sets forth the preferred format for grantees under the NSP Program. A complete submission contains the information requested below, including:

- (1) The NSP Substantial Amendment (attached below)
- (2) Signed and Dated Certifications (attached below)
- (3) Signed and Dated [SF-424](#).

Applicants should also attach a completed NSP Substantial Amendment Checklist to ensure completeness and efficiency of review (attached below).

The NSP Substantial Amendment

<p>Jurisdiction(s): State of Arizona (identify lead entity in case of joint agreements)</p> <p>Jurisdiction Web Address: www.housingaz.com</p>	<p>NSP Contact Person: Charlotte D. Grant-Cobb, Assistant Deputy Director, Programs Kathy Blodgett, Administrator, Community Development and Revitalization</p> <p>Address: 1110 West Washington, Suite 310 Phoenix, Arizona 85007</p> <p>Telephone: (602) 771-1000 Fax: (602) 771-1002 Email: NSP@housingaz.com</p>

A. Areas of Greatest Need

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

Note: An NSP substantial amendment must include the needs of the entire jurisdiction(s) covered by the program; states must include the needs of communities receiving their own NSP allocation. To include the needs of an entitlement community, the State may either incorporate an entitlement jurisdiction’s consolidated plan and NSP needs by reference and hyperlink on the Internet, or state the needs for that jurisdiction in the State’s own plan. The lead entity for a joint program may likewise incorporate the consolidated plan and needs of other participating entitlement jurisdictions’ consolidated plans by reference and hyperlink or state the needs for each jurisdiction in the lead entity’s own plan.

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

<http://azcms.housingaz.com/azcms/uploads/NSP/HUD%20Risk%20Score%20Data.pdf>

Response:

This is a substantial amendment to the State of Arizona (herein, “the State” or “Arizona Department of Housing” or “ADOH”) Consolidated Plan for 2005 to 2009 and the subsequent Action Plan for Program Year 2009 submitted by the State of Arizona (the “Amendment”). Included herein is the expected distribution and use of the State’s direct allocation of the U.S. Department of Housing and Urban Development (“HUD”) recently announced Neighborhood Stabilization Program (“NSP”) provided through HUD’s Community Development Block Grant (“CDBG”) Program as authorized by the U.S. Housing and Economic Recovery Act of 2008 (“HERA”). NSP was established by HUD to provide emergency assistance to state and local governments to assist in the redevelopment of foreclosed and

abandoned properties that might otherwise become sources of abandonment and blight within their communities and to respond to declining home values. ADOH has been very diligent in analyzing the requirements of HERA in drafting its NSP Substantial Amendment.

In total, the State received allocations of \$121.1 million, of which \$38.3 million was allocated directly to the State (the “Direct NSP Allocation”). The remainder was distributed by HUD directly to the nine CDBG entitlement jurisdictions hardest hit by the foreclosure crisis in Arizona. In making its Direct NSP Allocation, HUD used the following sources:

1. The Mortgage Bankers Association (the “MBA”) National Delinquency Survey data on the rate of foreclosures starts in 2007 and 2008 as well as current rates of subprime loans and loans in default or delinquency at the state-wide level;
2. Federal Reserve’s HMDA data on owner-occupied and investor mortgages made between 2004 and 2006, as well as the percent of those loans that are high-cost.
3. Vacancy data from the USPS to determine areas where abandonment of homes due to foreclosure is more likely.
4. Public data from OFHEO to measure home price declines, and
5. Labor Department data on the rate of unemployment at the city and county level as a predictor of future foreclosures and abandonment.

A description of HUD’s allocation formula can be found in HUD’s “Notice of Allocations, Application Procedures, Regulatory Waivers Granted to and Alternative Requirements for Emergency Assistance for Redevelopment of Abandoned and Foreclosed Homes Grantees under the Housing and Economic Recovery Act, 2008 (Docket No. FR-5255-N-01).”

<http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/nspnotice.pdf>

Based on this analysis, Direct NSP Allocation awards were made by HUD to the communities listed herein (each, a “Direct Grantee”):

PHOENIX	\$39,478,096
MARICOPA COUNTY	\$9,974,267
MESA	\$9,659,665
TUCSON	\$7,286,911
GLENDALE	\$6,184,112
PIMA COUNTY	\$3,086,867
AVONDALE CITY	\$2,466,039
CHANDLER	\$2,415,100
SURPRISE TOWN	\$2,197,786

According to HUD, emphasis of NSP funds shall be made to areas of greatest need and to projects that will have a meaningful impact on their communities. HUD thereby requires that NSP funds be targeted to areas of greatest need within the State and be obligated within 18 months.

Methodology and Needs Assessment

In conducting its needs assessment, the State of Arizona wishes to recognize HUD's substantial effort and thoughtful analysis of complex data and in addressing the HERA definition of "greatest need". In addition to reviewing the HUD data, ADOH worked closely with the Department of Financial Institutions, to better understand the characteristics of foreclosures in Arizona.

In addition, ADOH met with HUD and other federal officials, NSP Direct Grantee, State agencies and non-profit housing providers. These meetings were not part of HUD's requirements, but rather were designed to inform the State's approach to this Amendment. In addition, ADOH made non-binding inquiries among potentially interested parties about its Direct NSP Allocation strategy to further shape this Amendment.

Data

First, the State will rely on HUD's Estimated Foreclosure Abandonment Risk Score (the "Risk Score") in order to prioritize and allocate the State's Direct NSP Allocation. The Risk Score measures the estimated foreclosure and abandonment risk of every census tract block group in the State. This score is scaled from 0 to 10, with 10 being the highest or greatest risk. The Risk Scores were developed by HUD to assist grantees in targeting the areas of greatest need within their jurisdictions.

The Risk Score was calculated by HUD thru examination of the following sources:

1. Office of Federal Housing Enterprise Oversight ("OFHEO") data on decline in home values as of June 2008 compared to peak home value since 2000 at the Metropolitan/Micropolitan/Non-Metropolitan level.
2. Federal Reserve Home Mortgage Disclosure Act ("HMDA") data on percent of all loans made between 2004 and 2006 that are high cost at the Census Tract Level.
3. Labor Department data on unemployment rates in places and counties as of a June 2008.
4. United States Postal Services ("USPS") data on residential addresses identified as being vacant for 90 days or longer as of June 2008 at the Census Tract level.

According to the HUD data, the communities in Arizona identified as areas of greatest need are those with a Risk Score of 8 or greater:

County	City or Town
Cochise	Bisbee, Douglas, Sierra Vista
Gila	Globe, Miami
Graham	Safford
La Paz	Parker
Maricopa	Apache Junction, Avondale, Buckeye, Chandler, El Mirage Gilbert, Goodyear, Guadalupe, Litchfield Park, Mesa Peoria, Phoenix, Scottsdale, Surprise, Tempe, Tolleson, Youngstown,
Mohave	Bullhead City, Kingman, Lake Havasu
Navajo	Holbrook, Winslow
Pima	Marana, Sahuarita, South Tucson, Tucson
Pinal County	Casa Grande, Coolidge, Eloy, Maricopa, Queen Creek, Superior
Santa Cruz	Nogales, Rio Rico
Yavapai	Prescott
Yuma	Yuma

Maps are available for review on the department’s website *“Map of NSP Areas of Greatest Need”*.

<http://www.housingaz.com/ShowPage.aspx?ID=260>

Further, a summary by community, of the Risk Score and census tracts may be found on our website.

Tract Analysis: http://azcms.housingaz.com/azcms/uploads/NSP/tract_analysis_risk_score_7_10.pdf

Second, the State may consider other HUD data sets including Estimated Foreclosure Rate, Estimated High Cost Loan Rate and OFHEO prices changes as it develops program specifics. The State will continue to update its data about foreclosed properties and the results of its investment using the DRGR system.

B. Distribution and Uses of Funds

Provide a narrative describing how the distribution and uses of the grantee’s NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures. *Note:* The grantee’s narrative must address these three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

Response:

As more fully described in Part G and in response to HUD’s requirements, ADOH will 1) administer a statewide Soft Second Loan financing program; 2) invest its Direct NSP Allocation in redevelopment of foreclosed and/or vacant and/or blighted multifamily properties; giving priority to properties in portfolios owned or guaranteed by HUD, Rural Development or other similar federal guarantors, as well as properties identified by Direct Grantees, and 3) directly select for redevelopment foreclosed and/or vacant and/or blighted multifamily properties that are consistent with the preservation strategies outlined in the State’s Fourth Year Annual Action Plan.

Characteristics of Residential Foreclosures in Arizona

Arizona’s foreclosures are characterized by the results of overbuilding, creative mortgage products and declining home prices.

Number of Foreclosure Starts Past 18 Months	Percent of Loans to Start Foreclosure Past 18 Months	Number of Subprime Loans	Percent Subprime Loans
81,020	5.6%	212,799	14.8%

Source: HUD Statewide Allocation Data:

[http://www.huduser.org/publications/commdevl/Statewide Allocations Formula.xls](http://www.huduser.org/publications/commdevl/Statewide%20Allocations%20Formula.xls)

These characteristics prompted ADOH to work in conjunction with the Direct Grantees to ensure that the greatest number of Arizonans would participate in the NSP Program. The result of this collaboration is the Neighborhood Stabilization Investment Matrix for Arizona.

This statewide investment strategy provides the full spectrum of eligible activities under the Act. The role of ADOH as a provider of the soft second financing mechanism is critical to the delivery system as it gives us the ability to serve the greatest number of Arizonans who are income eligible while targeting the areas of greatest need. The State of Arizona is the only Direct Grantee establishing a state-wide financing mechanism. This means that ADOH will administer activities (NSP-eligible uses) described under letter (A) “Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-seconds, loan loss reserves, and shared-equity loans for low-and moderate –income [middle-income] homebuyers”; (E) “Redevelop demolished or vacant properties,” as stated in the Federal Register/Vol. 73, NO. 194/Monday, October 6,2008/Notices.

<http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/nspnotice.pdf>

The Direct Grantee governments will administer all other NSP-eligible activities, as shown in the matrix herein.

Neighborhood Stabilization Investment Matrix for Arizona

Grantee	Financing Mechanisms	Acquisition Rehab/Resale	Acquisition Rent	Land Bank	Demo Blight Structures	Redevelop Demolished or Vacant Properties
Phoenix		X	X (MFH <50%)		X	X (DPA)
State of Arizona	X					X (MFH<50%)
Maricopa County		X	X (MFH <50%)			
Mesa		X	X (MFH <50%)		X	X (DPA)
Tucson		X	X (SF rental<50%)	X		
Glendale		X	X (MFH <50%)			X (DPA)
Avondale		X (SF rental<50%)			X	X (DPA)
Chandler		X				X
Surprise		X	X (SF rental<50%)			X (DPA)

C. Definitions and Descriptions

Background

Certain terms are used in HERA that are not used in the regular CDBG program, or the terms are used differently in HERA and the HCD Act. In the interest of speed and clarity of administration, HUD is defining these terms in this notice for all grantees, including states. For the same reason, HUD is also defining eligible fund uses for all grantees, including states. States may define other program terms under the authority of 24 CFR 570.481(a), and will be given maximum feasible deference in accordance with 24 CFR 570.480(c) in matters related to the administration of their NSP programs.

Required Definitions

Abandoned. A home is abandoned when mortgage or tax foreclosure proceedings have been initiated for that property, no mortgage or tax payments have been made by the property owner for at least 90 days, AND the property has been vacant for at least 90 days.

Blighted structure. A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare.

CDBG funds. CDBG funds means, in addition to the definition at 24 CFR 570.3, grant funds distributed under this notice.

Current market appraised value. The current market appraised value means the value of a foreclosed upon home or residential property that is established through an appraisal made in conformity with the appraisal requirements of the URA at 49 CFR 24.103 and completed within 60 days prior to an offer made for the property by a grantee, subrecipient, developer, or individual homebuyer.

Foreclosed. A property “has been foreclosed upon” at the point that, under state or local law, the mortgage or tax foreclosure is complete. HUD generally will not consider a foreclosure to be complete until after the title for the property has been transferred from the former homeowner under some type of foreclosure proceeding or transfer in lieu of foreclosure, in accordance with state or local law.

Land bank. A land bank is a governmental or nongovernmental nonprofit entity established, at least in part, to assemble, temporarily manage, and dispose of vacant land for the purpose of stabilizing neighborhoods and encouraging re-use or redevelopment of urban property. For the purposes of the NSP program, a land bank will operate in a specific, defined geographic area. It will purchase properties that have been abandoned or foreclosed upon and maintain, assemble, facilitate redevelopment of, market, and dispose of the land-banked properties. If the land bank is a governmental entity, it may also maintain abandoned or foreclosed property that it does not own,

provided it charges the owner of the property the full cost of the service or places a lien on the property for the full cost of the service.

Revenue for the purposes of section 2301(d)(4). Revenue has the same meaning as program income, as defined at 24 CFR 570.500(a) with the modifications in this notice.

Subrecipient. Subrecipient shall have the same meaning as at the first sentence of 24 CFR 570.500(c). This includes any nonprofit organization (including a unit of general local government) that a state awards funds to.

Use for the purposes of section 2301(c)(1). Funds are used when they are obligated by a state, unit of general local government, or any subrecipient thereof, for a specific NSP activity; for example, for acquisition of a specific property. Funds are obligated for an activity when orders are placed, contracts are awarded, services are received, and similar transactions have occurred that require payment by the state, unit of general local government, or subrecipient during the same or a future period. Note that funds are not obligated for an activity when subawards (e.g., grants to subrecipients or to units of local government) are made.

Response:

(1) Definition of “blighted structure” in context of state or local law.

The State of Arizona traditionally defers to the code enforcement standards of local government. For the purpose of this NSP Substantial Amendment, the State will modify the broadest definition used in the Federal Register/Vol.73, No. 194/Monday, October 6, 2008:

<http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/nspnotice.pdf>

“Blighted structure. A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety and public welfare (continuous and/or multiple code violations).”

(2) Definition of “affordable rents.” **Note:** Grantees may use the definition they have adopted for their CDBG program but should review their existing definition to ensure compliance with NSP program – specific requirements such as continued affordability.

Response:

The definition of affordable rents will be consistent with the definition adopted for the State Housing Fund Program Summary and Application Guide:

http://azcms.housingaz.com/uploads/STATE%20HOUSING%20FUND/FY09%20Applications/SHF_Program_Summary_App_Guide.pdf

(3) Describe how the grantee will ensure continued affordability for NSP assisted housing.

Response:

For NSP-assisted rental units, the required period will be consistent with the requirements of the HOME program as described in the State Housing Fund Program Summary and Application Guide:

http://azcms.housingaz.com/uploads/STATE%20HOUSING%20FUND/FY09%20Applications/SHF_Program_Summary_App_Guide.pdf

For NSP-assisted single family units, the required period will be consistent with the requirements of the HOME program as described in the State Housing Fund Program Summary and Application Guide:

http://azcms.housingaz.com/uploads/STATE%20HOUSING%20FUND/FY09%20Applications/SHF_Program_Summary_App_Guide.pdf

(4) Describe housing rehabilitation standards that will apply to NSP assisted activities.

Response:

The housing rehabilitation standards that will apply to NSP assisted activities will be consistent with those articulated in the adopted State Rehabilitation Standards:

http://azcms.housingaz.com/uploads/HOMEOWNERSHIP/State_Rehabilitation_Standards.pdf

At a minimum, the State of Arizona adheres to HUD Quality Standards (24 CFR, Subtitle B, Chapter IX, Part 982, Subpart I).

D. Low Income targeting **Note:** At least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50 percent of area median income.

Response:

The State of Arizona will use at least \$9.6 million (25% of the Direct NSP Allocation) for the re-development of foreclosed and/or vacant and/or blighted multifamily properties to be targeted for individuals and families whose incomes do not exceed 50 percent of area median income.

E. Acquisitions & Relocation. Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).

If so, include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced

by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).

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

Response:

The role of ADOH as a provider of the soft second financing mechanism is critical to the delivery system as it gives us the ability to serve the greatest number of Arizonans who are income eligible while targeting the areas of greatest need. The State of Arizona is the only Direct Grantee establishing a state-wide financing mechanism. This means that ADOH will administer activities (NSP-eligible uses) described under letter (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 [middle-income] homebuyers"; (E) "Redevelop demolished or vacant properties, "as stated in the Federal Register/Vol 73, NO. 194/Monday,October6,2008/Notices:

<http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/nspnotice.pdf>

The Direct Grantee governments will administer all other NSP-eligible activities, as shown in the matrix.

F. Public Comment

Provide a summary of public comments received to the proposed NSP Substantial Amendment.

Response:

The summary of public comments will be provided after the public comment period.

G-1 NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

(1) Activity Name: Second Mortgage Loan Economic Recovery Program (SMLE) Commitment for Homebuyers.

(2) Activity Type: (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 [middle-income] homebuyers, CDBG eligible activity: 24 CFR 5702.21 (n) Homeownership Assistance.

(3) National Objective: LMMH (Low/Moderate/Middle Income Housing benefit); provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120 percent of area median income.

(4) Projected Start Date: March 2009

(5) Projected End Date: December 2013

(6) Responsible Organization: The Arizona Department of Housing will administer the Soft Second Mortgage Loan Commitment for Homebuyers

(7) Location Description: All properties will be located in the areas of greatest need, as described in Part A. It is anticipated that specific addresses of properties to be assisted with homebuyer financing will be identified by participating lenders and financial service entities with REO properties at the time of commitment.

(8) Activity Description:

The availability of credit for first mortgages continues to slow. The State of Arizona is concerned that many eligible homebuyers may not qualify for a mortgage that would allow them to purchase a foreclosed home in the areas targeted for NSP Direct Allocation. Any ability to increase homeownership in the areas targeted for NSP investment, coupled with other recovery activities could certainly stimulate economic recovery.

Because access to homeownership is fundamental to Arizona’s way of life, ADOH will develop a financing tool that will make it easier for eligible, credit-worthy homebuyers to obtain mortgages. This tool is still in development and may take the form of direct subsidy, interest rate buy down or other credit enhancement that would provide assurances to lending institutions providing mortgages to households purchasing a home in NSP targeted areas.

This activity will address all the areas of greatest need.

The period of affordability for each assisted homeownership unit will be modeled after the HOME homeownership affordability requirement and will be based on the amount of permanent subsidy going to the homebuyer, with a minimum affordability period of 5 years. If a homeowner received a permanent subsidy, the department will impose a lien, deed restrictions or CC&Rs to ensure compliance with the applicable affordability requirements. In addition, we will impose resale/recapture provisions if the home is sold during the period of affordability.

We do not expect that this activity will be used to meet the requirement that 25% of the NSP funds be used to assist households making no more than 50% of the area median income (AMI), though some homebuyers may have incomes at this level.

The Arizona Department of Housing will also ensure that all homebuyers receiving assistance through this activity receive the NSP-required eight hours of homebuyer counseling.

(9) Total Budget: NSP funds: \$20,000,000

(10) Performance Measures: between 275 - 400 units, all of which will assist households making no more than 120% AMI.

G-2. NSP Information by Activity (Complete for each activity)

(1) Activity Name: Foreclosed and Vacant Redevelopment (FAVR) of multifamily properties to be targeted for individuals and families whose incomes do not exceed 50 percent of area median income.

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

(E) "Redevelop demolished or vacant properties," as stated in the Federal Register/Vol 73, NO. 194/Monday, October 6, 2008/Notices:

<http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/nspnotice.pdf>

CDBG eligible activity: 24 CFR 570.201 (a) Acquisition, (b) Disposition, (c) Public facilities and improvements, (e) Public services for housing counseling, but only to the extent that counseling beneficiaries are limited prospective purchasers or tenants of the redeveloped properties,

(3) National Objective: LMMH (Low/Moderate/Middle Income Housing benefit); provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120 percent of area median income.

(4) Projected Start Date: March 2009

(5) Projected End Date: December 2013

(6) Responsible Organization: The Arizona Department of Housing will administer the Foreclosed and Vacant Redevelopment (FAVR) of multifamily properties to be targeted for individuals and families whose incomes do not exceed 50 percent of area median income.

(7) Location Description: All properties will be located in the areas of greatest need, as described in Part A. ADOH will 1) invest its Direct NSP Allocation in foreclosed and/or vacant and/or blighted multifamily properties; giving priority to properties in portfolios owned or guaranteed by HUD, Rural Development or other similar federal guarantors, as well as properties identified by Direct Grantees, and 2) directly select foreclosed and/or vacant and/or blighted multifamily properties that are consistent with the preservation strategies outlined in the State's Fourth Year Annual Action Plan.

(8) Activity Description:

The State of Arizona will use at least \$9.6 million (25% of the Direct NSP Allocation) for the re-development of foreclosed and/or vacant and/or blighted multifamily properties to be targeted for individuals and families whose incomes do not exceed 50 percent of area median income.

The definition of affordable rents will be consistent with the definition adopted for the State Housing Fund Program Summary and Application Guide:

http://azcms.housingaz.com/uploads/STATE%20HOUSING%20FUND/FY09%20Applications/SHF_Program_Summary_App_Guide.pdf

For NSP-assisted rental units, the required affordability period will be consistent with the requirements of the HOME program as described in the State Housing Fund Program Summary and Application Guide:

http://azcms.housingaz.com/uploads/STATE%20HOUSING%20FUND/FY09%20Applications/SHF_Program_Summary_App_Guide.pdf

(9) Total Budget: NSP Funds: \$9,600,000

(10) Performance Measures: minimum expectation of 100 units of housing to be re-developed for the income levels of households that are 50 percent of area median income and below.

G-3. NSP Information by Activity (Complete for each activity)

(1) Activity Name: Planning and Administration

(2) Activity Type: NSP-eligible use: 10 percent cap on planning and administrative costs. CDBG eligible activity: 24 CFR 570.206 (a) General management, oversight, and coordination and (e) indirect costs.

(4) Projected Start Date: November, 2008

(5) Projected End Date: December 2013

(6) Responsible Organization: The Arizona Department of Housing

(7) Location Description: not applicable

(8) Activity Description: General management, oversight, and coordination and Indirect costs.

(9) Total Budget: \$3,837,020.

(10) Performance Measures Not applicable.

Certifications

- (1) **Affirmatively furthering 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.

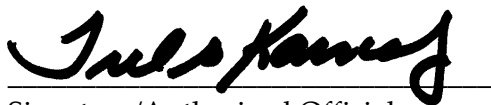
(11) **Assessments.** The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged 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.



Signature/Authorized Official

November 10, 2008

Date

Director

Title