

Indian River County NSP3 Abbreviated Action Plan

1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Keating, Robert M.
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Phone Number	772-226-1254
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Web Address	http://www.irgov.com/

2. Areas of Greatest Need

Map Submission

The map generated at the HUD NSP3 Mapping Tool for Preparing Action Plan website is included as Attachment 1.

Data Sources Used to Determine Areas of Greatest Need

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

Response:

The main data source used to determine areas of greatest need was the web based HUD NSP3 Target Area Mapping software which allowed the County to draw potential target areas on a map and review a range of foreclosure data. Besides other data, the output from this website includes an NSP3 Foreclosure Need Score (NSP3NEED). The NSP3NEED is an indicator of a selected target area's need for NSP3 assistance based on a formula using such factors as rate of subprime loans, foreclosure rates, vacancy rates, rate of increase in unemployment, and fall in home values. According to applicable regulations, proposed target areas with a NSP3NEED greater than 17 are eligible for consideration as NSP3 Target Areas. Other categories of data provided from the HUD NSP3 Target Area Mapping software include number of housing units in a selected target area, percentage of persons 120% and 80% AMI or below, vacancy rate (number of units not receiving mail in last 90 days), number of high cost mortgages executed between 2004 and 2007, estimated rate of mortgages seriously delinquent in June 2010, estimated number of foreclosure starts over the last year, estimated number of completed foreclosures in the past year, and percent fall in housing values since peak value.

In addition to the NSP3 Target Area Mapping software, data sources used to identify the areas of greatest need included the County Property Appraiser's files on foreclosures and distressed sales, local staff experience with the County's NSP1, and input from local nonprofit housing organizations that are actively involved with purchasing foreclosed and/or distressed properties within the County.

Determination of Areas of Greatest Need and Applicable Tiers

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

Response:

In 2009, Indian River County received \$4.6 million in NSP1 funding from the Florida Department of Community Affairs to purchase and rehabilitate residential housing units and sell or rent those housing units to income qualified households. The target area for the NSP1 funds included most of the urbanized mainland portion of the County (west of the Indian River Lagoon). Together with two nonprofit housing partner organizations, the County used a large share of its NSP1 funds to purchase and rehab housing units in the northern and central parts of the County. Most of the housing units acquired with NSP1 funds were relatively new and were large 3 and 4 bedroom homes. The prices of those homes were as high as \$159,000. Because newer large homes can be costly and because the County's NSP3 funding allocation is much less than the NSP1 funding allocation, the County feels that it can achieve more with NSP3 funds by focusing on other less costly areas of the County. Further, statistics for the areas where the County has focused much of its NSP1 funding show that, although those areas have been significantly impacted by the housing crisis, the percentage of foreclosures and percentage of homes financed by sub-prime related loans are less within these areas than in areas in the southern portion of the County where NSP3 activities are proposed.

Using the HUD Target Area Mapping website, County staff drew several possible target areas in the southern area of the County where a potential NSP3 nonprofit housing partner (Habitat for Humanity) is already investing its own funds to actively acquire, rehabilitate, and sell properties. Data for these potential target areas were analyzed to identify an area of greatest need. An area was ultimately identified around the "Oslo" area, located south of Oslo Road (9th Street SW), east of 27th Avenue, north of 25th Street SW, and west of Old Dixie Highway.

According to HUD data, the proposed NSP3 target area (area of greatest need) has an NSP3 NEEDS score of 20 (highest possible), has approximately 46.44% of its housing units that received a mortgage between 2004 and 2007 (highest of the areas analyzed by the County), has approximately 31.7% of its housing units that received a high cost (sub-prime) mortgage between 2004 and 2007 (highest of the areas analyzed by the County), and has approximately 19.4% of its housing units 90 or more days delinquent or in foreclosure (highest of the areas analyzed by the County). Because of the percentage of housing units 90 or more days delinquent or in foreclosure, there will likely be a significant rise in the rate of foreclosure in the near future. As proposed, the NSP3 target area (area of greatest need) is small enough to produce an acceptable IMPACT score from the HUD Target Area Mapping website. The selected target area has an IMPACT score of 42, meaning that approximately 42 housing units need to be acquired, rehabbed and sold to make a visible "impact" on the neighborhood.

Because property Appraiser data show that the average sales price for the foreclosed and distressed sales in the proposed target area is 1/3 to 1/2 the price of other potential target areas within the County, the County will be able to acquire more housing units than if another target area were chosen. While NSP3 funds alone will not be sufficient to acquire, rehab, and sell 42 homes, the County's efforts can be successful because the County's prospective NSP3 non-profit partner, Habitat for Humanity, has already invested in foreclosure acquisition and rehabilitation in the target area and because the County will use both NSP1 and NSP3 program income funds in the target area to purchase, rehab, and resell additional housing units.

In the year since the county initiated NSP3 activities, the foreclosure situation in the county has changed significantly. As a result of that change, the county's NSP3 non-profit partner, Habitat For Humanity (Habitat), has purchased far fewer foreclosed housing units in the NSP3 target area than had been forecast. While Habitat purchased ten foreclosed houses in the 15 months prior to its participation in the NSP3 program, it has acquired only 2 units since then.

According to Habitat, the availability of foreclosed properties has declined dramatically in the past year. That observation is validated by data from the County Property Appraisers Office. According to that data, there were 582 foreclosure sales in the county during the first five months of 2011, but only 291 sales during the first five months of 2012. The situation was similar in the county's NSP3 target area, with 29 foreclosure sales in the first four months of 2011, but only 17 in the first four months of 2012.

Most likely, the reduction in foreclosure activity from 2011 to 2012 can be attributed primarily to the robo-signing problems with foreclosing banks and their law firms, rather than an improvement in the housing industry. With those problems subsiding, foreclosure activity can be expected to increase in the future. In fact, data from the National Community Stabilization Trust (NCST) show that there have been a substantial number of default notices filed throughout the county in the March, April, and May 2012 period.

To address the lower number of foreclosed properties available for purchase, the county proposes to expand its target area. With that expansion, the target area boundaries will be 25th street S.W. on the south, 43rd Avenue on the west, 4th Street on the north, and Old Dixie Highway on the east. According to HUD data, the expanded target area has an NSP3NEED score of 19.28, only slightly less than the original target area score of 20 and significantly higher than the minimum NSP3NEED score of 17.

In this case, the expanded target area will provide a larger universe of foreclosed properties for the county's NSP3 non-profit partner, Habitat For Humanity, to acquire. Since Property Appraisers data show that the number of foreclosure sales in the expanded target area for 2012 was 64% higher than sales in the original target area and that foreclosure sales in the expanded target area for 2011 was 90% higher than sales in the original target area, there is a strong probability that the expanded target area will allow Habitat to meet its NSP3 foreclosed property acquisition objective. This is also validated by NCST data that show that notices of default for March through May of 2012 were 82% higher for the expanded target area than for the original target area.

For NSP3, HUD encourages grantees to have a small enough target area such that their dollars will have a visible impact on the neighborhood. While the original target area met that objective, the small size of the target area became problematic when declining foreclosure activity reduced the number of acceptable units available for acquisition.

With the expanded target area, there will be more foreclosed units available for acquisition. According to HUD data, however, the number of properties needed to make an impact in the target area increases from 42 for the original target area to 104 for the expanded target area. Those numbers, however, are based on raw data from June of 2010 and earlier. Given the recent downturn in foreclosure activity, it is highly probable that those impact numbers are too high. Regardless, the expanded target area is needed for the county's NSP3 program to succeed.

3. Definitions and Descriptions

Definitions

Term	Definition												
Blighted Structure	A “Blighted Structure” shall be defined the same as an “Unsafe Structure” as defined within Indian River County’s Chapter 403 “Property Maintenance Code”. Such as structure is one that is found to be dangerous to the life, health, property or safety of the public or the occupants of the structure by not providing minimum safeguards to protect or warn occupants in the event of fire, or because such structure contains unsafe equipment or is so damaged, decayed, dilapidated, structurally unsafe or of such faulty construction or unstable foundation, that partial or complete collapse is possible.												
Affordable Rents	<p>Affordable rents are defined as and shall not exceed the Fair Market Rents (FMR) published annually by the US Department of Housing and Urban Development for the Sebastian-Vero Beach, Florida Metropolitan Statistical Area (MSA).</p> <p>The current 2011 fair market rates are:</p> <table border="1"> <thead> <tr> <th># of Bedrooms</th> <th>0</th> <th>1</th> <th>2</th> <th>3</th> <th>4</th> </tr> </thead> <tbody> <tr> <td>Fair Market Rent</td> <td>\$621</td> <td>\$750</td> <td>\$956</td> <td>\$1,190</td> <td>\$1,225</td> </tr> </tbody> </table>	# of Bedrooms	0	1	2	3	4	Fair Market Rent	\$621	\$750	\$956	\$1,190	\$1,225
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Fair Market Rent	\$621	\$750	\$956	\$1,190	\$1,225								

Descriptions

Term	Definition															
Long-Term Affordability	<p>“Long-Term Affordability” is defined as the period of time for which the County will ensure NSP3 assisted housing units are able to be purchased and occupied by NSP3 eligible homebuyers.</p> <p>It is acknowledged that the County may use the HOME program standards found at 24CFR 92.252(e) for establishing Long-Term Affordability; however, the County has opted to use an alternate standard that is equal to or exceeds the HOME program standards.</p> <p>The following are the County’s Long-Term Affordability standards.</p> <table border="1"> <thead> <tr> <th>Amount of NSP Funds Invested in Property</th> <th>Required Affordability Period</th> <th>Equal to or Greater than HOME Standard</th> </tr> </thead> <tbody> <tr> <td>Up to \$15,000</td> <td>15 Years</td> <td>Greater</td> </tr> <tr> <td>\$15,001 - \$40,000</td> <td>15 Years</td> <td>Greater</td> </tr> <tr> <td>Over \$40,000</td> <td>15 Years</td> <td>Equal</td> </tr> <tr> <td>New Construction</td> <td>20 Years</td> <td>Equal</td> </tr> </tbody> </table> <p>When NSP3 funds are used on properties for sale to income eligible</p>	Amount of NSP Funds Invested in Property	Required Affordability Period	Equal to or Greater than HOME Standard	Up to \$15,000	15 Years	Greater	\$15,001 - \$40,000	15 Years	Greater	Over \$40,000	15 Years	Equal	New Construction	20 Years	Equal
Amount of NSP Funds Invested in Property	Required Affordability Period	Equal to or Greater than HOME Standard														
Up to \$15,000	15 Years	Greater														
\$15,001 - \$40,000	15 Years	Greater														
Over \$40,000	15 Years	Equal														
New Construction	20 Years	Equal														

	<p>households (homeownership), the minimum length of time that the property must remain affordable is 15 years for all projects except for those classified as “New Construction”. For “New Construction” projects, the minimum length of time that the property must remain affordable is 20 years. These long-term affordability requirements will be ensured through the use of restrictions on the deed and/ or mortgages.</p> <p>If a property is sold or foreclosed upon during the required affordability period, the entire amount of NSP3 funds invested in the property shall be “recaptured” by the County for use by the County for an NSP eligible use that meets a national objective.</p>
<p>Housing Rehabilitation Standards</p>	<p>At a minimum, the following rehabilitation and new construction standards shall be used for Indian River County’s NSP3 program:</p> <ul style="list-style-type: none"> ▪ All gut rehabilitation or new construction of residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes. ▪ All gut rehabilitation or new construction of mid or high rise multifamily units must be designed to meet American Society of Heating , Refrigerating , and Air-Conditioning Engineers Standard 90.1-2004, Appendix G plus 20% (which is the Energy Star standard for multi-family buildings piloted by EPA and Dept. of Energy) . ▪ Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, e.g. replace older obsolete products and appliances with Energy Star-46 labeled products. ▪ Water efficient toilets, showers, and faucets, such as those with the WaterSense label, must be installed. ▪ Where relevant, the housing should be improved to mitigate the impact of disasters (e.g., earthquake, hurricane, flooding, fires). <p>For items not addressed by the above, the County’s NSP1 Housing Rehabilitation Standards, Florida Residential Building Code and, when more stringent, the County Building Code shall be the Standards used in the NSP3 program in Indian River County.</p>
<p>Rental Housing Preference</p>	<p>Because the area of greatest need (target area) consists overwhelmingly of single family owner occupied homes and owner occupied condominium units, it would be problematic for the County to pursue the development of affordable rental housing in the target area. Developing affordable rental housing in the target area would have the result of depreciating the neighborhood. Therefore, a rental housing strategy with procedures to create preferences for the development of affordable rental housing is not proposed.</p>
<p>Vicinity Hiring</p>	<p>To the maximum extent feasible, the County will provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects. Vicinity is defined as each neighborhood identified by the County as being the areas of greatest need .</p>

4. Low-Income Targeting

Low-Income Set-Aside Amount

Enter the low-income set-aside percentage in the first field. The field for total funds set aside will populate based on the percentage entered in the first field and the total NSP3 grant.

Identify the estimated amount of funds appropriated or otherwise made available under the NSP3 to be used to provide housing for individuals or families whose incomes do not exceed 50 percent of area median income.

Response:

Total low-income set-aside **percentage** (must be no less than 25 percent): 25.00%
 Total funds set aside for low-income individuals = \$375,107

Meeting Low-Income Target

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

Response: In Indian River County, the County estimates that 25% of NSP3 grant funds will be used to assist households with incomes at or below 50% AMI. The County will achieve this by executing agreements with Partners / Developers using “Eligible Use B: Purchase and Rehabilitate Homes.” The Partners/ Developers will acquire and rehabilitate units that will be sold to qualifying households. The use of said units shall be restricted to persons whose incomes do not exceed 50%AMI. The County proposes to acquire 3 housing units for this income group.

5. Acquisition and Relocation

Demolition or Conversion of LMI Units

Does the grantee intend to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income)?	No
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If yes, fill in the table below.

Question	Number of Units
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.	NA
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).	NA
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	NA

6. Public Comment

Citizen Participation Plan

Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment or abbreviated plan.

Response:

Indian River County used its local CDBG citizen participation plan as a guide regarding this proposed abbreviated plan.

On February 8, 2011, the Board of County Commissioners (BCC), as part of its regularly scheduled meeting, considered applying for NSP3 funds and discussed a proposed approach to using those funds. At that meeting, the BCC provided general direction to staff to proceed with preparing and finalizing an NSP3 abbreviated action plan.

In accordance with applicable NSP3 requirements, the County prepared an NSP3 abbreviated action plan and made that plan available for public review and comment for 15 days (February 11, 2011 through February 25, 2011). That public review period was announced in an advertisement in a local newspaper on January 30, 2011 and was announced on the County's website as well.

The County NSP Citizens Advisory Task Force (CATF) reviewed the abbreviated action plan at a public meeting on February 14, 2011, at which advisory input was provided.

Consistent with its public notice procedures, the County announced (by advertisement in the local newspaper and on the County website) a Board of County Commissioners public hearing for and date of presentation of the proposed Abbreviated Action Plan. The public hearing was held on February 15, 2011.

Comments from the public are included as an attachment to this abbreviated action plan.

Summary of Public Comments Received.

The summary of public comments received is included as Attachment 2.

7. NSP Information by Activity

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

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

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

Activity Number 1	
Activity Name	Acquisition and Rehabilitation – Homeownership (at or below 120%AMI)
Uses	Select all that apply:
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms
	<input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation

	<input type="checkbox"/> Eligible Use C: Land Banking <input type="checkbox"/> Eligible Use D: Demolition <input type="checkbox"/> Eligible Use E: Redevelopment
CDBG Activity or Activities	<p>Purchase and rehabilitation of homes and residential properties that have been abandoned or foreclosed upon, in order to sell such homes and properties (HERA Section 2301(c)(3)(B)).</p> <p>Eligible under 24CFR570.201(a), (b), and (n): Acquisition and disposition of residential property and direct homeownership assistance; and 24CFR570.202: Eligible rehabilitation and preservation activities for homes and other residential properties.</p>
National Objective	Low Moderate Middle Income Housing (LMMH)
Activity Description	<p>The County will select one or more nonprofit housing partners to use NSP3 funds to purchase, rehabilitate and re-sell foreclosed housing units to income qualified households (at or below 120% of AMI) within the identified target area. The housing units purchased will be vacant Real Estate Owned (REO) and other NSP eligible properties that do not trigger Uniform Relocation Act (URA) requirements.</p> <p>If the County selects a "developer" housing partner, that partner will be eligible to receive a reasonable developer's fee for service performed. That developer will take ownership of each housing unit and may provide a 1st mortgage to each home purchaser using its own funds or require the purchaser to obtain a first mortgage from a financial institution. NSP funds may be used to provide a deferred payment, subordinated second mortgage covering downpayment, closing cost, and gap financing assistance. The second mortgage will have a zero percent (0%) interest rate. The exact terms will be negotiated between the County and the developer.</p> <p>All properties receiving NSP funding will have a minimum affordability time period restriction on the deed and/or recorded mortgage on the property, as defined under the "Long-Term Affordability" definition of this Abbreviated Action Plan. The County will monitor the properties that are assisted with NSP funds during the affordability time period. NSP3 funds will be recaptured if the property is sold during the affordability time period.</p> <p>All homebuyers will be required to have a minimum of eight hours of homebuyer counseling from a HUD approved counseling agency.</p> <p>To the maximum extent feasible, the County will provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects. The County will work with its NSP3 housing partner organizations to provide opportunities for local</p>

	<p>contractors and small businesses that employ people residing in the vicinity of the NSP3 projects to participate in the NSP3. The County will specify in housing partner contracts that housing partners will reach out to individuals in the target area when hiring new employees and when selecting service providers.</p> <p>Services that are needed to carry out the County’s NSP3 Abbreviated Action Plan that are not secured by the County’s NSP3 housing partner organization(s) will be advertised in accordance with the County’s CDBG Procurement Policies, as modified by State, and Federal procurement procedures. A reference to the NSP3 local hiring preference will be included in advertisements.</p> <p>According to County Property Appraiser data, there are a total of <u>3,6599,030</u> housing units within the <u>expanded</u> target area. Of those <u>3,6599,030</u> housing units, <u>3,442-8,483(94.193.9%)</u> are designated as Single Family, <u>40371 (1.14.1%)</u> are designated as residential condominiums, and <u>1764 (4.81.9%)</u> are designated as rental apartments. All of the <u>1746</u> rental apartments are included as part of 1 apartment complex. Because the target area consists overwhelmingly of single family owner occupied homes and owner occupied condominium units, it would be problematic for the County to pursue the development of affordable rental housing in the target area. Therefore, a rental housing strategy with procedures to create preferences for the development of affordable rental housing is not proposed.</p> <p>Through the program, the County commits to acquiring, rehabilitating, and selling thirteen (13) single family housing units to income qualified households. Of those thirteen (13) housing units, ten (10) will be sold to households with incomes at or below 120% AMI, and three (3) will be sold to households at or below 50% AMI. While the County commits to the thirteen (13) total housing units for NSP3, the county anticipates acquisition and rehabilitation of between twenty (20) and twenty four (24) with the NSP3 \$1,500,428 base allocation. Because the County cannot predict future market conditions and does not want to be locked into a number that is too high, the County is committing to fewer than the 20-24. In addition to the housing units to be acquired and rehabbed with the base NSP3 allocation, the County anticipates using NSP1 and NSP3 Program Income to acquire and rehab another eight (8) to ten (10) housing units. That should result in the County’s total number of units being closer to the HUD NSP3 Target Area Mapping software’s projected number of units to make an impact. These numbers do not take into account the number of homes in the target area that Indian River Habitat for Humanity has already acquired, rehabilitated and sold.</p>
Location Description	

	Area of Greatest Need is located south of Oslo Road (9th Street SW) ^{4th Street} , east of 27th ^{43rd} Avenue, north of 25th Street SW, and west of Old Dixie Highway. Refer to Attachment 1 for the results of the proposed target area.	
Budget	Source of Funding	Dollar Amount
	NSP3	\$975,279.00
	(Other funding source)	\$#####
	(Other funding source)	\$#####
Total Budget for Activity		\$975,279.00
Performance Measures	Decreased number of vacant homes in market and increased average sales price of homes in Area of Greatest Need (AGN). Approximately 10 housing units will be purchased, rehabbed, and re-sold to income qualified households (at or below 120% AMI). Additional housing units may be purchased, rehabbed, and re-sold to income qualified households utilizing NSP1 and NSP3 "program income".	
Projected Start Date	6/1/2011	
Projected End Date	5/31/2014	
Responsible Organization	Name	Indian River County
	Location	1801 27th Street Vero Beach, FL 32960
	Administrator Contact Info	Robert M. Keating 772-226-1253 bkeating@ircgov.com

Activity Number 2	
Activity Name	Acquisition and Rehabilitation – Home Ownership (at or below 50%AMI)
Use	Select all that apply:
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms
	<input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/> Eligible Use C: Land Banking
	<input type="checkbox"/> Eligible Use D: Demolition
<input type="checkbox"/> Eligible Use E: Redevelopment	
CDBG Activity or Activities	<p>Purchase and rehabilitation of homes and residential properties that have been abandoned or foreclosed upon, in order to sell such homes and properties (HERA Section 2301(c)(3)(B)).</p> <p>Eligible under 24CFR570.201(a), (b), and (n): Acquisition and disposition of residential property and direct homeownership assistance; and 24CFR570.202: Eligible rehabilitation and preservation activities for homes and other residential properties.</p>

National Objective	Low-Income Housing to Meet 25% Set-Aside (LH25)
Activity Description	<p>The County will select one or more nonprofit partners to use NSP3 funds to purchase, rehabilitate and re-sell to income qualified households (at or below 50% of AMI) within the identified target area.</p> <p>If the County selects a "developer" housing partner, that partner will be eligible to receive a reasonable developer's fee for service performed. That developer will take ownership of each housing unit and may provide a 1st mortgage to each home purchaser using its own funds or require the purchaser to obtain a first mortgage from a financial institution. NSP funds may be used to provide a deferred payment, subordinated second mortgage covering downpayment, closing cost, and gap financing assistance. The second mortgage will have a zero percent (0%) interest rate. The exact terms will be negotiated between the County and the developer.</p> <p>All properties receiving NSP funding will have a minimum affordability time-period restriction on the deed and/or recorded mortgage on the property, as defined under the "Long-Term Affordability" definition of this Abbreviated Action Plan. The County will monitor the properties that are assisted with NSP funds during the affordability time period. NSP3 funds will be recaptured if the property is sold during the affordability time period.</p> <p>All homebuyers will be required to have a minimum of eight hours of homebuyer counseling from a HUD approved counseling agency.</p> <p>To the maximum extent feasible, the County will provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects. The County will work with its NSP3 housing partner organizations to provide opportunities for local contractors and small businesses that employ people residing in the vicinity of the NSP3 projects to participate in the NSP3. The County will specify in housing partner contracts that housing partners will reach out to individuals in the target area when hiring new employees and when selecting service providers.</p> <p>Services that are needed to carry out the County's NSP3 Abbreviated Action Plan that are not secured by the County's NSP3 housing partner organization(s) will be advertised in accordance with the County's CDBG Procurement Policies, as modified by State, and Federal procurement procedures. A reference to the NSP3 local hiring preference will be included in advertisements.</p> <p>According to County Property Appraiser data, there are a total of <u>3,6599,030</u> housing units within the <u>expanded</u> target area. Of those <u>3,6599,030</u> housing units, <u>3,4428,483</u> (<u>94.193.9%</u>) are designated as Single Family, <u>40371</u> (<u>1.14.1%</u>) are designated as residential condominiums, and <u>1746</u> (<u>4.81.9%</u>) are designated as rental apartments. All of the <u>1746</u> rental apartments are included as part of 1 apartment complex. Because the target area consists overwhelmingly of single family owner occupied homes and owner occupied condominium units, it would</p>

	<p>be problematic for the County to pursue the development of affordable rental housing in the target area. Therefore, a rental housing strategy with procedures to create preferences for the development of affordable rental housing is not proposed.</p> <p>Through the program, the County commits to acquiring, rehabilitating, and selling thirteen (13) single family housing units to income qualified households. Of those thirteen (13) housing units, ten (10) will be sold to households with incomes at or below 120% AMI, and three (3) will be sold to households at or below 50% AMI. While the County commits to the thirteen (13) total housing units for NSP3, the county anticipates acquisition and rehabilitation of between twenty (20) and twenty four (24) with the NSP3 \$1,500,428 base allocation. Because the County cannot predict future market conditions and does not want to be locked into a number that is too high, the County is committing to fewer than the 20-24. In addition to the housing units to be acquired and rehabbed with the base NSP3 allocation, the County anticipates using NSP1 and NSP3 Program Income to acquire and rehab another eight (8) to ten (10) housing units. That should result in the County's total number of units being closer to the HUD NSP3 Target Area Mapping software's projected number of units to make an impact. These numbers do not take into account the number of homes in the target area that Indian River Habitat for Humanity has already acquired, rehabilitated and sold.</p>	
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Budget	Source of Funding	Dollar Amount
	NSP3	\$375,107.00
	(Other funding source)	\$#####
	(Other funding source)	\$#####
Total Budget for Activity	\$375,107.00	
Performance Measures	Decreased number of vacant homes in market and increased average sales price of homes in Area of Greatest Need (AGN). Approximately 3 housing units will be purchased, rehabbed, and re-sold to income qualified households (at or below 50% AMI). Additional housing units may be purchased, rehabbed, and re-sold to income qualified households utilizing "program income".	
Projected Start Date	6/1/2011	
Projected End Date	5/31/2014	
Responsible Organization	Name	Name
	Location	Location
	Administrator Contact Info	Administrator Contact Info

Activity Number 3		
Activity Name	Program Administration	
Use	Select all that apply:	
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms	
	<input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/> Eligible Use C: Land Banking	
	<input type="checkbox"/> Eligible Use D: Demolition	
<input type="checkbox"/> Eligible Use E: Redevelopment		
CDBG Activity or Activities	General Administration	
National Objective	NA	
Activity Description	NSP3 Program Administration funds will be used to pay reasonable and necessary expenses of implementing the program. This will include but not be limited to County staff salaries/wages, office supplies, and the possible engagement of a consulting firm to provide administrative and rehabilitation assistance. Administration cost to administer the NSP program and ensure compliance with regulations will be ten percent (10%) of the total allocated amount.	
Location Description	Area of Greatest Need is located south of Oslo Road (9th Street SW) <u>4th Street</u> , east of 27th <u>43rd</u> Avenue, north of 25th Street SW, and west of Old Dixie Highway. Refer to Attachment 1 for the results of the proposed target area.	
Budget	Source of Funding	Dollar Amount
	NSP3	\$150,042.00
	(Other funding source)	\$#####
	(Other funding source)	\$#####
Total Budget for Activity	\$150,042.00	
Performance Measures	The County will utilize administration funds to pay reasonable and necessary expenses in implementing the NSP3 program, adhere to all requirements and guidelines of the program, and ensure that all subgrantees meet all requirements and guidelines. Fifty percent of allocated NSP3 funds will be expended within two years of the signed agreement and 100 percent of the NSP3 funds will be expended within three years of the signed agreement.	
Projected Start Date	6/1/2011	
Projected End Date	5/31/2014	
Responsible Organization	Name	Name
	Location	Location
	Administrator Contact Info	Administrator Contact Info

8. Certifications

Certifications for State and Entitlement Communities

(1) **Affirmatively furthering fair housing.** The jurisdiction certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

(2) **Anti-displacement and relocation plan.** The applicant certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan.

(3) **Anti-lobbying.** The jurisdiction must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(4) **Authority of jurisdiction.** The jurisdiction certifies that the consolidated plan or abbreviated plan, as applicable, is authorized under state and local law (as applicable) and that the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.

(5) **Consistency with plan.** The jurisdiction certifies that the housing activities to be undertaken with NSP funds are consistent with its consolidated plan or abbreviated plan, as applicable.

(6) **Acquisition and relocation.** The jurisdiction certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the notice for the NSP program published by HUD.

(7) **Section 3.** The jurisdiction certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(8) **Citizen participation.** The jurisdiction certifies that it is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.

(9) **Following a plan.** The jurisdiction certifies it is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD. [Only States and entitlement jurisdictions use this certification.]

(10) **Use of funds.** The jurisdiction certifies that it will comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act and Title XII of Division A of the American Recovery and Reinvestment Act of 2009 by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, of receipt of the grant.

(11) **The jurisdiction certifies:**

- a. that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and

- b. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive force.** The jurisdiction certifies that it has adopted and is enforcing:

- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
- b. A policy of enforcing applicable state and local laws against physically barring entrance to, or exit from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws.** The jurisdiction certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures.** The jurisdiction certifies that its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) **Compliance with laws.** The jurisdiction certifies that it will comply with applicable laws.

(16) **Vicinity hiring.** The jurisdiction certifies that it will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects.

(17) **Development of affordable rental housing.** The jurisdiction certifies that it will abide by the procedures described in its NSP3 Abbreviated Plan to create preferences for the development of affordable rental housing for properties assisted with NSP3 funds.

Signature/Authorized Official

Date

Title

Certifications for Non-Entitlement Local Governments

- (1) **Affirmatively furthering fair housing.** The jurisdiction certifies that it will affirmatively further fair housing.
- (2) **Anti-displacement and relocation plan.** The applicant certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan.
- (3) **Anti-lobbying.** The jurisdiction must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- (4) **Authority of jurisdiction.** The jurisdiction certifies that the consolidated plan or abbreviated plan, as applicable, is authorized under state and local law (as applicable) and that the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
- (5) **Consistency with plan.** The jurisdiction certifies that the housing activities to be undertaken with NSP funds are consistent with its consolidated plan or abbreviated plan, as applicable.
- (6) **Acquisition and relocation.** The jurisdiction certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the notice for the NSP program published by HUD.
- (7) **Section 3.** The jurisdiction certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- (8) **Citizen participation.** The jurisdiction certifies that it is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.
- (9) **Use of funds.** The jurisdiction certifies that it will comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act and Title XII of Division A of the American Recovery and Reinvestment Act of 2009 by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, of receipt of the grant.
- (10) **The jurisdiction certifies:**
 - a. that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and
 - b. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect

to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(11) **Excessive force.** The jurisdiction certifies that it has adopted and is enforcing:

- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
- b. A policy of enforcing applicable state and local laws against physically barring entrance to, or exit from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

(12) **Compliance with anti-discrimination laws.** The jurisdiction certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(13) **Compliance with lead-based paint procedures.** The jurisdiction certifies that its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(14) **Compliance with laws.** The jurisdiction certifies that it will comply with applicable laws.

(15) **Vicinity hiring.** The jurisdiction certifies that it will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects.

(16) **Development of affordable rental housing.** The jurisdiction certifies that it will abide by the procedures described in its NSP3 Abbreviated Plan to create preferences for the development of affordable rental housing for properties assisted with NSP3 funds.

Signature/Authorized Official

Date

Chairman of the Board of County Commissioners
Title

Appendix: NSP3 Action Plan Contents 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 checked="" 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 checked="" 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 checked="" type="checkbox"/>
• With the highest percentage of homes financed by subprime mortgage related loan?; and	<input checked="" type="checkbox"/>
• Identified by the grantee as likely to face a significant rise in the rate of home foreclosures?	<input checked="" type="checkbox"/>
Did you create the area of greatest needs map at http://www.huduser.org/NSP/NSP3.html ?	<input checked="" type="checkbox"/>
Did you include the map as an attachment to your Action Plan?	<input checked="" 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 checked="" type="checkbox"/>

<ul style="list-style-type: none"> • Affordable rents, • Ensuring long term affordability for all NSP funded housing projects, • Applicable housing rehabilitation standards for NSP funded projects 	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>

4. Low-Income Targeting

	Yes
Did you identify the estimated amount of funds appropriated to provide housing that meets the low-income set aside target?	<input checked="" type="checkbox"/>
Did you provide a summary describing how your jurisdiction will meet its low-income set aside goals?	<input checked="" 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 checked="" type="checkbox"/>
Did you include the public comments you received on the NSP3 substantial amendment in your plan?	<input checked="" type="checkbox"/>

7. NSP Information by Activity

	Check all that apply
Did you include a description of all eligible NSP3 activities you plan to implement with your NSP3 award?	<input checked="" type="checkbox"/>
For each eligible NSP3 activity you plan to implement did you include:	

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

8. Certifications

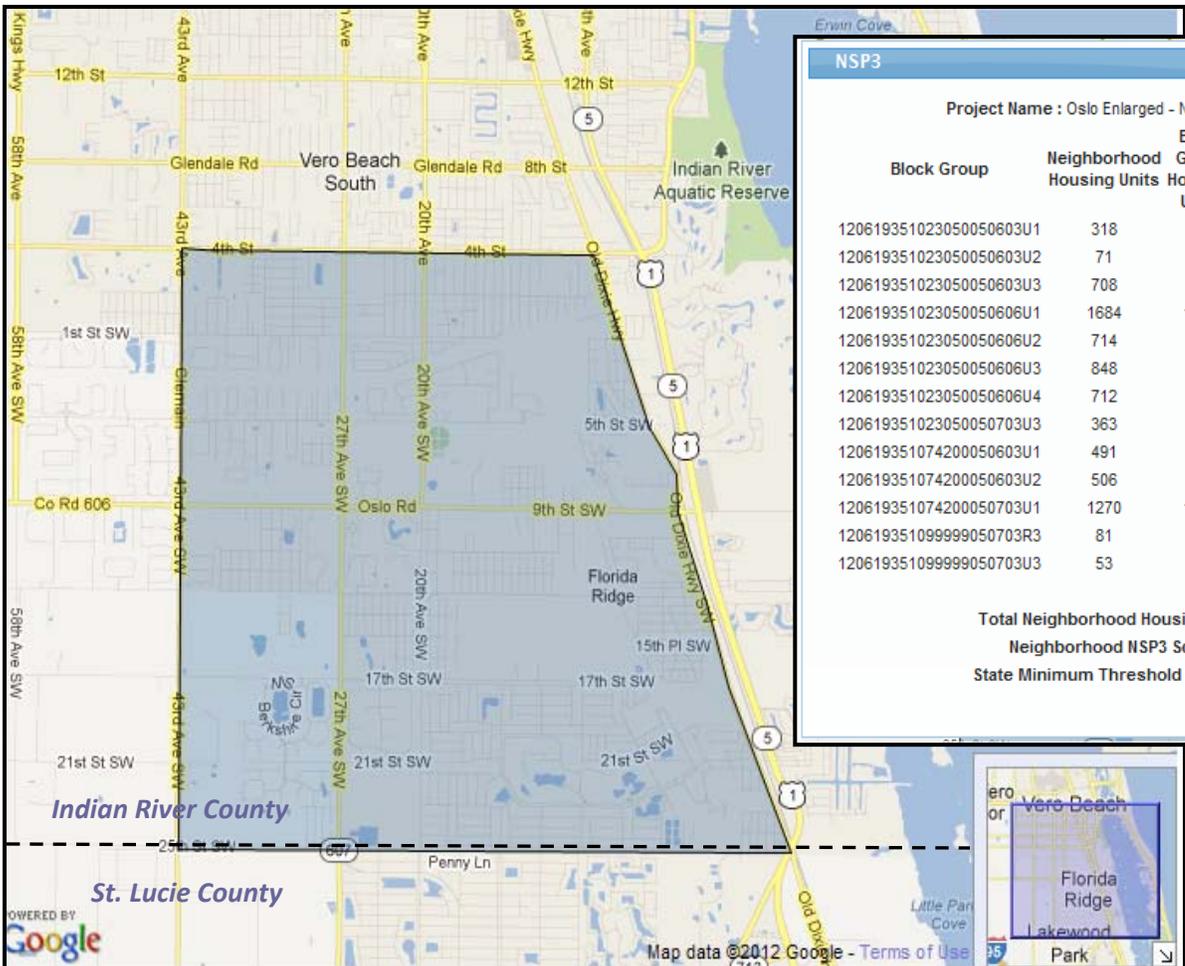
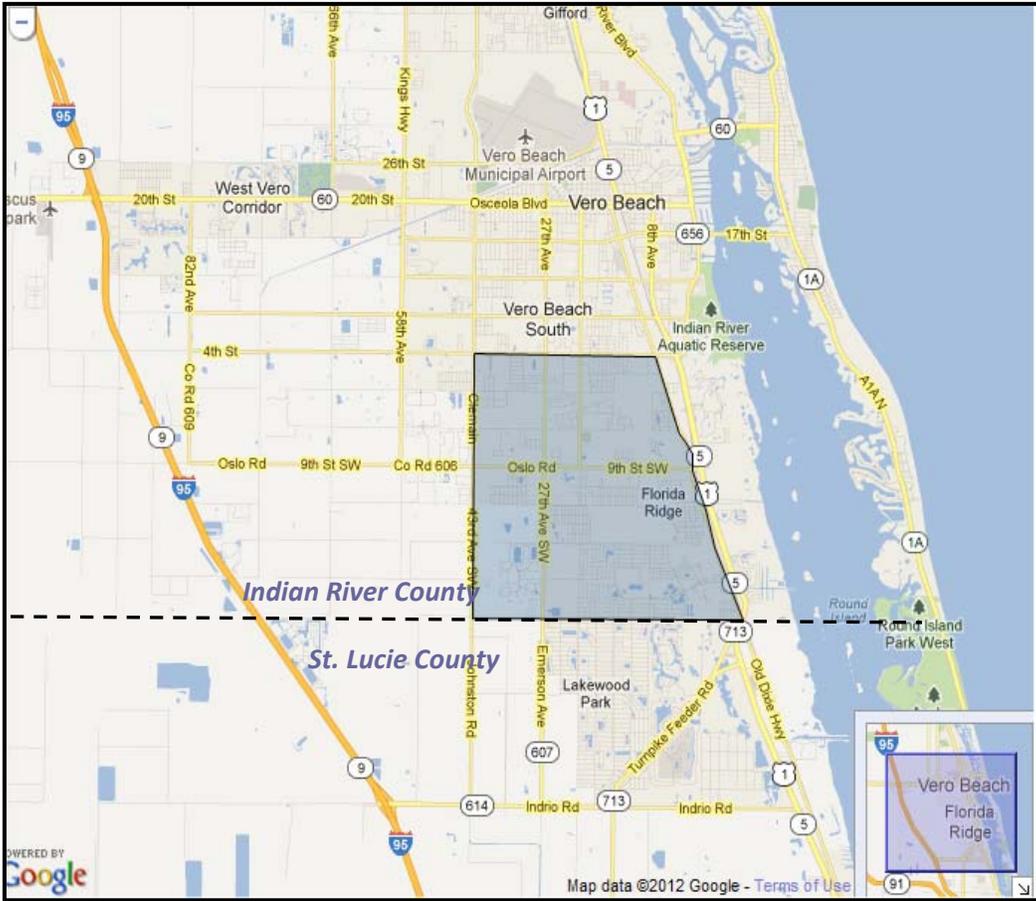
	Yes
Did you sign and submit the certification form applicable to your jurisdiction?	<input checked="" type="checkbox"/>

9. Additional Documentation

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

Attachment 1

Indian River County **REVISED** NSP3 Target Area: Oslo Area



NSP3

Project Name : Oslo Enlarged - New Data from HUD?

Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS	HMDA
120619351023050050603U1	318	318	19	17	436	169
120619351023050050603U2	71	71	19	17	97	38
120619351023050050603U3	708	744	19	17	1021	396
120619351023050050606U1	1684	1685	20	17	2109	979
120619351023050050606U2	714	714	20	17	894	415
120619351023050050606U3	848	848	20	17	1061	493
120619351023050050606U4	712	712	20	17	891	414
120619351023050050703U3	363	363	18	17	681	278
120619351074200050603U1	491	588	19	17	807	313
120619351074200050603U2	506	506	19	17	694	269
120619351074200050703U1	1270	1270	18	17	2383	973
120619351099999050703R3	81	159	18	17	298	122
120619351099999050703U3	53	96	18	17	180	74

Total Neighborhood Housing Units: 7819
Neighborhood NSP3 Score: 19.28
State Minimum Threshold NSP3 Score: 17

Attachment 2

Citizen Comments

A notice announcing a public hearing and the availability to review and comment on the County's proposed NSP3 Abbreviated Action Plan was published on the County website and also was advertised in the local news paper, Indian River Press Journal, on January 30, 2011 (<http://www.ircgov.com/>). The Indian River County NSP3 Abbreviated Action Plan was published for public comment on the County website on February 10, 2011 and was kept on the County website for a minimum of 15 days as required by the Department of Housing and Urban Development Federal Register Notice (Federal Register Volume 75, No. 201, Tuesday, October 19, 2010).

In addition to soliciting public comments through the County website and the local newspaper, the County conducted a publicly noticed Citizens Advisory Task Force (CATF) Meeting on February 14, 2011 and a Public Hearing before the Board of County Commissioners (BCC) on February 15, 2011.

The following is a summary of public comments received from the CATF meeting, from the BCC Public Hearing, and from communications received by staff from the general public. Those speaking at the CATF meeting were members of the CATF and a representative from the Indian River Habitat for Humanity. Those speaking at the BCC meeting were Commissioners, representatives for the Indian River Habitat for Humanity, a representative for the Coalition for Attainable Homes and the Treasure Coast Homeless Services Council, and two interested citizens.

Acceptance of Grant Funds

At both the CATF meeting and the BCC meeting, there was a debate from members about whether or not the County should accept the NSP3 funds. Overall, there was a feeling that government needs to be scaled back and that taxes need to be lowered. Those in the minority felt that the County needs to make a stand and not accept the NSP3 funds and further request that the funds be returned to Washington and allocated to pay off debt. Those in the majority agreed that a stand needs to be made on not accepting certain federal government funds, but that the NSP is not where the County should make the stand.

The majority felt that the NSP3 funds would be put to good use helping a local cause and local people. Those in the majority also felt that the funds would help people that may need a hand-up not a handout, would take vacant properties and put them back on the tax role, would help to reduce crime in neighborhoods, and would serve as a catalyst for others to make improvements in their neighborhoods.

NSP3 Partner Organization

Both those in the majority and those in the minority felt that using Indian River Habitat for Humanity as the lead agency for undertaking NSP3 activities would work well, given Habitat's track record for success. For its part, Indian River Habitat for Humanity indicated that it could use the NSP3 funds productively and that, besides stabilizing neighborhoods, the NSP3 funds would produce jobs and taxes.

Grant Administration

Concern was expressed that the County would be spending a large amount on the cost to administer the NSP and that, because of that, the NSP would be less beneficial than it otherwise could be.

Public Comments Outside of CATF and BCC Meeting

Outside of the CATF and BCC meetings, there were no comments from the general public received by County staff.

Attachment 3 **Overall Budget**

Activity	Budgeted Amount	Performance Measure
Acquisition and Rehabilitation – Homeownership at or below 120% AMI	\$975,279.00	Ten (10) housing units to be acquired, rehabilitated, and sold to households at or below 120% of Area Median Income.
Acquisition and Rehabilitation – Homeownership at or below 50% AMI (25% of NSP3 Allocation)	\$375,107.00	Three (3) housing units to be acquired, rehabilitated, and sold to households at or below 50% of Area Median Income.
Program Administration (10% of NSP3 Allocation)	\$150,042.00	Successful completion of project documenting administration expenses.
TOTAL	\$1,500,428	