

NSP GRANT SUBMISSION TEMPLATE **& 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 suggested 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.

Grantees 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): <u>The County of Hidalgo Urban County Program</u> <i>(identify lead entity in case of joint agreements)</i></p> <p>Jurisdiction Web Address: http://www.co.hidalgo.tx.us/ <i>(URL where NSP Substantial Amendment materials are posted)</i></p>	<p>NSP Contact Person: Diana R. Serna Address: 1916 Tesoro Blvd., Pharr TX 78577 Telephone: (956) 787-8127 Fax: (956) 787-5291 Email: ucp@bizrgv.rr.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 [[LINK – to HUD USER data](#)], in developing this section of the Substantial Amendment.

Response:

The NSP funding is to be used by Hidalgo County – Urban County Program (UCP) for providing or improving permanent residential structures that will be occupied by a household whose income is at or below 120% of area median income (AMI). The program shall address acquisition, rehabilitation, sale, construction of housing units and home ownership assistance. The program shall address foreclosure issues within Hidalgo County, excluding the entitlement cities of McAllen, Edinburg, Mission and Pharr, that include but are not limited to:

- a. establishment of financing mechanisms for the purchase and redevelopment of foreclosed homes and residential properties;

- b. purchase and rehabilitation of homes and residential properties abandoned or foreclosed;
- c. demolition of blighted structures;
- d. redevelopment of demolished or vacant properties; and
- e. administration and planning costs

It is the intent of the County of Hidalgo UCP to partner with existing Community Housing Development Organizations (CHDO's) to accomplish the activities identified.

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:

The Hidalgo County Urban County Program will use all available data to determine the areas of greatest need. It is the intent of the Hidalgo County UCP to use data from the Hidalgo County Clerk's Office regarding foreclosures and documentation of foreclosures by local financial institutions as well as mortgage companies to determine the highest percentage of homes financed by sub-prime mortgage lenders. Once that determination is made, the county shall develop program policies to address the three (3) categories of the NSP statute.

C. DEFINITIONS AND DESCRIPTIONS

- (1) Definition of "blighted structure" in context of state or local law.

Response:

Blighted Structure – structures that are dilapidated, substandard, unfit for human habitation or are a hazard to the health, safety and welfare of the residents of Hidalgo County.

- (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:

Affordable rent – The Hidalgo County UCP shall continue to use Section 8 Affordable Rents adjusted to comply with 120% of area median income as part of the NSP program.

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

Response:

The Hidalgo County UCP will incorporate its current HOME Owner-Occupied Rehabilitation and Homebuyer Programs “principal residency verification” process as part of the NSP affordability requirement.

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

Response:

Housing assisted with NSP funds will meet all applicable local codes, rehabilitation standards, ordinances and zoning ordinances at the time of project completion. In absence of local code for new construction or rehabilitation, NSP-assisted housing will meet the standards as set forth by the Southern Building Code (SBCCI).

D. LOW INCOME TARGETING

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

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

Response:

The estimated amount of funds appropriated or otherwise made available shall be approximately \$716,765.00.

E. ACQUISITIONS & RELOCATION

Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., $\leq 80\%$ of area median income).

If so, include:

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

- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., $\leq 120\%$ of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
- 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:

When necessary, the County of Hidalgo UCP intends to demolish and re-develop blighted structures. It is the intent of the Hidalgo County UCP to use data from the Hidalgo County Clerk's Office regarding foreclosures and documentation of foreclosures by local financial institutions as well as mortgage companies to identify areas containing blighted structures in need of demolition and re-development. The approximate number of units to be assisted with the total allocation is 30-35, all of which will be equal to or below the one hundred and twenty percent (120%) AMI requirement. In addition, the County of Hidalgo UCP will comply with twenty five percent (25%) of the allocation targeting families with incomes equal to or below fifty percent (50%) AMI. The number of families to be assisted within each income level will be determined once the project is underway.

F. PUBLIC COMMENT

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

Response:

All comments received prior to adoption of substantial amendment shall be included in the application prior to submittal.

G. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

(1) Activity Name: **Financing Mechanisms**

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

As per §2301(c)(3)(A), the County of Hidalgo UCP will establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-second loans, loan loss reserves, and shared-equity loans for low-and-moderate-income homebuyers.

24 CFR Part 570.204

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

Benefit to low-, moderate- and middle-income persons/families

(a) All of the funds made available under this section are to be used with respect to individuals and families whose incomes do not exceed 120% of area median income.

(b) Not less than 25% of these funds are to be used for the purchase and redevelopment of abandoned or foreclosed upon homes or residential properties that will be used to house individuals or families whose incomes do not exceed 50% of area median income.

Note that NSP redefines and supersedes the definition of “low- and moderate-income” of the CDBG program by allowing households whose incomes exceed 80% but are no greater than 120% of area median income to qualify for NSP funds. HUD will refer to this new income group as “middle income,” but continue to use the CDBG definitions of “low-income” and “moderate-income.” HUD will use the term “low-, moderate- and middle-income” (LMMI) to refer to the national objective of the program.

(4) Projected Start Date: January 2009

(5) Projected End Date: December 2012

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

Hidalgo County Urban County Program
1916 Tesoro Blvd.
Pharr, TX 78577

Diana R. Serna, Director
Telephone: (956) 787-8127
Fax: (956) 787-5291
Email: ucp@bizrgv.rr.com

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

Hidalgo County Urban County Program designated areas except for McAllen, Edinburg, Mission and Pharr. Exact locations are to be identified after consultation with Hidalgo County Clerk's Office, local financial institutions and mortgage companies.

(8) Activity Description:

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

The Hidalgo County Urban County Program will use available data to determine the areas of greatest need. It is the intent of the Hidalgo County UCP to use data from the Hidalgo County Clerk's Office regarding foreclosures and documentation of foreclosures by local financial institutions as well as mortgage companies to determine the highest percentage of homes financed by sub-prime mortgage lenders. The guidelines that the UCP will implement for the NSP will benefit qualified families in numerous ways. These advantages include pre-purchase counseling, discounted purchase prices, fixed rate mortgages, low interest rates not to exceed two (2) points above the current prime rate, low origination fees and no balloon payments. Also, twenty five percent (25%) of the funds utilized will benefit families with income at or below fifty percent (50%) AMI.

The NSP guidelines allow for the duration of mortgage loans up to the standard 30-year note in order to make the monthly payments affordable for each qualified family. The County of Hidalgo UCP will also utilize its HOME recapture policy and incorporate it within the NSP by adding the affordability recapture provisions within the relative loan documents and performing annual verifications. Also, the required discount rate for purchases of individual properties will be at a minimum of five percent (5%) of the fair market value. For purchase transactions in the aggregate, the minimum discount rate will be ten percent (10%).

G. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

(1) Activity Name: **Purchase and Rehabilitation of Abandoned or Foreclosed Homes**

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

As per §2301(c)(3)(B), the UCP will 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 Part 570.201(a)

24 CFR Part 570.202

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

Benefit to low-, moderate- and middle-income (LMMI) persons/families

(a) All of the funds made available under this section are to be used with respect to individuals and families whose incomes do not exceed 120% of area median income.

(b) Not less than 25% of these funds are to be used for the purchase and redevelopment of abandoned or foreclosed upon homes or residential properties that will be used to house individuals or families whose incomes do not exceed 50% of area median income.

Note that NSP redefines and supersedes the definition of “low- and moderate-income” of the CDBG program by allowing households whose incomes exceed 80% but are no greater than 120% of area median income to qualify for NSP funds. HUD will refer to this new income group as “middle income,” but continue to use the CDBG definitions of “low-income” and “moderate-income.” HUD will use the term “low-, moderate- and middle-income” (LMMI) to refer to the national objective of the program.

(4) Projected Start Date: January 2009

(5) Projected End Date: December 2012

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

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

Hidalgo County Urban County Program designated areas except for McAllen, Edinburg, Mission and Pharr. Exact locations are to be identified after consultation with Hidalgo County Clerk's Office, local financial institutions and mortgage companies.

(8) Activity Description:

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

The Hidalgo County Urban County Program will use available data to determine the areas of greatest need. It is the intent of the County of Hidalgo UCP to use data from the Hidalgo County Clerk's Office regarding foreclosures and documentation of foreclosures by local financial institutions as well as mortgage companies to determine the highest percentage of homes financed by sub-prime mortgage lenders. The guidelines that the UCP will implement for the NSP will benefit qualified families in numerous ways. These advantages include pre-purchase counseling, discounted purchase prices, fixed rate mortgages, low interest rates not to exceed two (2) points above the current prime rate, low origination fees and no balloon payments. Also, twenty five percent (25%) of the funds utilized will benefit families with income at or below fifty percent (50%) AMI.

The NSP guidelines allow for the duration of mortgage loans up to the standard 30-year note in order to make the monthly payments affordable for each qualified family. The County of Hidalgo UCP will also utilize its HOME recapture policy and incorporate it within the NSP by adding the affordability recapture provisions within the relative loan documents and performing annual verifications. Also, the required discount rate for purchases of individual properties will be at a minimum of five percent (5%) of the fair market value. For purchase transactions in the aggregate, the minimum discount rate will be ten percent (10%).

G. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

(1) Activity Name: **Demolition of Blighted Structures**

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

As per §2301(c)(3)(D), the County of Hidalgo UCP will demolish blighted structures as previously defined.

24 CFR Part 570.201(d)

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

Benefit to low-, moderate- and middle-income (LMMI) persons/families.

(a) All of the funds made available under this section are to be used with respect to individuals and families whose incomes do not exceed 120% of area median income.

(b) Not less than 25% of these funds are to be used for the purchase and redevelopment of abandoned or foreclosed upon homes or residential properties that will be used to house individuals or families whose incomes do not exceed 50% of area median income.

Note that NSP redefines and supersedes the definition of “low- and moderate-income” of the CDBG program by allowing households whose incomes exceed 80% but are no greater than 120% of area median income to qualify for NSP funds. HUD will refer to this new income group as “middle income,” but continue to use the CDBG definitions of “low-income” and “moderate-income.” HUD will use the term “low-, moderate- and middle-income” (LMMI) to refer to the national objective of the program.

(4) Projected Start Date: January 2009

(5) Projected End Date: December 2012

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

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

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(8) Activity Description:

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

The Hidalgo County Urban County Program will use available data to determine the areas of greatest need. It is the intent of the County of Hidalgo UCP to use data from the Hidalgo County Clerk's Office regarding foreclosures and documentation of foreclosures by local financial institutions as well as mortgage companies to identify areas with blighted structures. The guidelines that the UCP will implement for the NSP will not only benefit qualified families, but will also assist in increasing the surrounding neighborhood/area property values in which they will reside. Additionally, twenty five percent (25%) of the funds utilized will benefit families with income at or below fifty percent (50%) AMI.

Once the blighted structure is rehabilitated and/or demolished/re-constructed, the NSP guidelines allow for the duration of mortgage loans up to the standard 30-year note in order to make the note affordable for each qualified family. The County of Hidalgo UCP will also utilize its HOME recapture policy and incorporate it within the NSP by adding the affordability recapture provisions within the relative loan documents and performing annual verifications.

The required discount rate for purchases of individual properties will be at a minimum of five percent (5%) of the fair market value. For purchase transactions in the aggregate, the minimum discount rate will be ten percent (10%).

G. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

(1) Activity Name: **Redevelopment of Demolished or Vacant Properties**

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

As per §2301(c)(3)(E), the UCP will redevelop demolished or vacant properties.

24 CFR Part 570.201(a)

24 CFR Part 570.201(i)

24 CFR Part 570.203(a)

24 CFR Part 570.204

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

Benefit to low-, moderate- and middle-income persons/families

(a) All of the funds made available under this section are to be used with respect to individuals and families whose incomes do not exceed 120% of area median income.

(b) Not less than 25% of these funds are to be used for the purchase and redevelopment of abandoned or foreclosed upon homes or residential properties that will be used to house individuals or families whose incomes do not exceed 50% of area median income.

Note that NSP redefines and supersedes the definition of “low- and moderate-income” of the CDBG program by allowing households whose incomes exceed 80% but are no greater than 120% of area median income to qualify for NSP funds. HUD will refer to this new income group as “middle income,” but continue to use the CDBG definitions of “low-income” and “moderate-income.” HUD will use the term “low-, moderate- and middle-income” (LMMI) to refer to the national objective of the program.

(4) Projected Start Date: January 2009

(5) Projected End Date: December 2012

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

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

Hidalgo County Urban County designated areas except for McAllen, Edinburg, Mission and Pharr. Exact locations are to be identified after consultation with Hidalgo County Clerk's Office, local financial institutions and mortgage companies.

(8) Activity Description:

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

The Hidalgo County Urban County Program will use available data to determine the areas of greatest need. It is the intent of the County of Hidalgo UCP to use data from the Hidalgo County Clerk's Office regarding foreclosures and documentation of foreclosures by local financial institutions as well as mortgage companies to identify areas containing demolished or vacant properties. In re-developing these properties, these NSP funds will assist in increasing the surrounding neighborhood/area property values. This, in turn, will lead to the purchase of the re-developed properties by qualified families who will benefit, in that, their loans will contain a discounted purchase price, fixed rate mortgage, low interest rate not to exceed two (2) points above the current prime rate, low origination fee and no balloon payment. Also, twenty five percent (25%) of the funds utilized will benefit families with income at or below fifty percent (50%) AMI.

Once these properties are re-developed, the NSP guidelines allow for the duration of mortgage loans up to the standard 30-year note in order to make the note affordable for each qualified family. The County of Hidalgo UCP will also utilize its HOME recapture policy and incorporate it within the NSP by adding the affordability recapture provisions within the relative loan documents and performing annual verifications.

The required discount rate for purchases of individual properties will be at a minimum of five percent (5%) of the fair market value. For purchase transactions in the aggregate, the minimum discount rate will be ten percent (10%).

G. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

(1) Activity Name: **Administration and Planning Costs**

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

Allowed under NSP regulations, the County of Hidalgo UCP will utilize ten percent (10%) of the total allocation for administration and planning costs connected to the undertaking.

24 CFR Part 570.206

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

Not applicable

(4) Projected Start Date: January 2009

(5) Projected End Date: December 2012

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

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

Hidalgo County Urban County Program
1916 Tesoro Blvd.
Pharr, TX 78577

(8) Activity Description:

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

I. Total Budget: (Include public and private components)

Planning and General Administration	\$ 286,705	
Purchase/Rehabilitation/Re-sell	\$ 716,765	(25% for below 50% AMI)
Purchase/Rehabilitation/Re-sell	<u>\$1,863,587</u>	(below 120% AMI)
Total	\$2,867,057	

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

The approximate number of units to be assisted with the total allocation is 30-35. The number of families to be assisted within each income level will be determined once the project is underway. As stated previously, the NSP requires 25% of the allocation for families below fifty percent (50%) AMI, therefore the number of units produced within this income range will be approximately 12.

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

Date

Title

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): _____ Lead Agency Jurisdiction Web Address: <i>(URL where NSP Substantial Amendment materials are posted)</i>	NSP Contact Person: Address: Telephone: Fax: Email:
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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 ____.

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 ____.

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 ____.

- a definition of “affordable rents,”
 Yes No . Verification found on page ____.

- a description of how the grantee will ensure continued affordability for NSP assisted housing,
 Yes No . Verification found on page ____.

- a description of housing rehabilitation standards that will apply to NSP assisted activities?
Yes No . Verification found on page _____.

D. 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 _____.
- correlated eligible activity under CDBG,
Yes No . Verification found on page _____.
- the areas of greatest need addressed by the activity or activities,
Yes No . Verification found on page _____.
- expected benefit to income-qualified persons or households or areas,
Yes No . Verification found on page _____.
- appropriate performance measures for the activity,
Yes No . Verification found on page _____.
- amount of funds budgeted for the activity,
Yes No . Verification found on page _____.
- the name, location and contact information for the entity that will carry out the activity,
Yes No . Verification found on page _____.
- expected start and end dates of the activity?
Yes No . Verification found on page _____.

E. SPECIFIC ACTIVITY REQUIREMENTS

Does each activity narrative describe the general terms under which assistance will be provided, including:

If the activity includes acquisition of real property,

- the discount required for acquisition of foreclosed upon properties,
Yes No . Verification found on page _____.

If the activity provides financing,

- the range of interest rates (if any),
Yes No . Verification found on page _____.

If the activity provides housing,

- duration or term of assistance,
Yes No . Verification found on page _____.
- tenure of beneficiaries (e.g., rental or homeownership),
Yes No . Verification found on page _____.
- does it ensure continued affordability?
Yes No . Verification found on page _____.
- 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 _____.

F. 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 _____.
- 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 _____.
Amount budgeted = \$____.

G. DEMOLISHMENT OR CONVERSION OF LOW- AND MODERATE-INCOME UNITS

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 _____.

Does the substantial amendment include:

- The number of low- and moderate-income dwelling units—i.e., $\leq 80\%$ of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities?
Yes No . Verification found on page _____.

- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., $\leq 120\%$ of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion)?
Yes No Verification found on page _____.
- 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 _____.

H. 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 _____.

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

Yes No Verification found on page _____.

I. WEBSITE PUBLICATION

The following Documents are available on the grantee’s website:

- SF 424 Yes No .
- Proposed NSP Substantial Amendment Yes No .
- Final NSP Substantial Amendment Yes No .
- Subsequent NSP Amendments Yes No .

Website URL: _____

K. CERTIFICATIONS

The following certifications are complete and accurate:

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