

HILLSBOROUGH COUNTY

NEIGHBORHOOD STABILIZATION PROGRAM

SUBSTANTIAL AMENDMENT

Jurisdiction(s): Hillsborough County <i>(identify lead entity in case of joint agreements)</i>	NSP Contact Person: Valmarie Turner Address: 1208 Tech Blvd., Ste. 300, Tampa, FL 33619 Telephone: 813-274-6673 Fax: 813-274-6701 Email: turnerv@hillsboroughcounty.org
Jurisdiction Web Address: www.hillsboroughcounty.org/affordablehousingoffice/ <i>(URL where NSP Substantial Amendment materials are posted)</i>	

A. AREAS OF GREATEST NEED: Provide summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction.

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

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

Narrative Response:

In Hillsborough County, the target areas for the Neighborhood Stabilization Program were developed pursuant to the Housing and Economic Recovery Act of 2008 as outlined below:

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

Based on the NSP established criteria Hillsborough County will initially target the areas of Orient Park, University of South Florida Area and the Palm River/Clair Mel/Progress Village. In addition, after a period of one year following the grant award, the County will consider expanding its targeted areas to include the City of Plant City, Town n' Country and Gibsonton.

Amended on August 11, 2009, April 7, 2010, August 4, 2010

Areas of Greatest Need: (Amended 08/05/09)

Due to an increase in real estate activity, AHD is pursuing NSP acquisitions in the target areas of Town 'n Country, Gibsonton and Plant City starting on October 1, 2009.

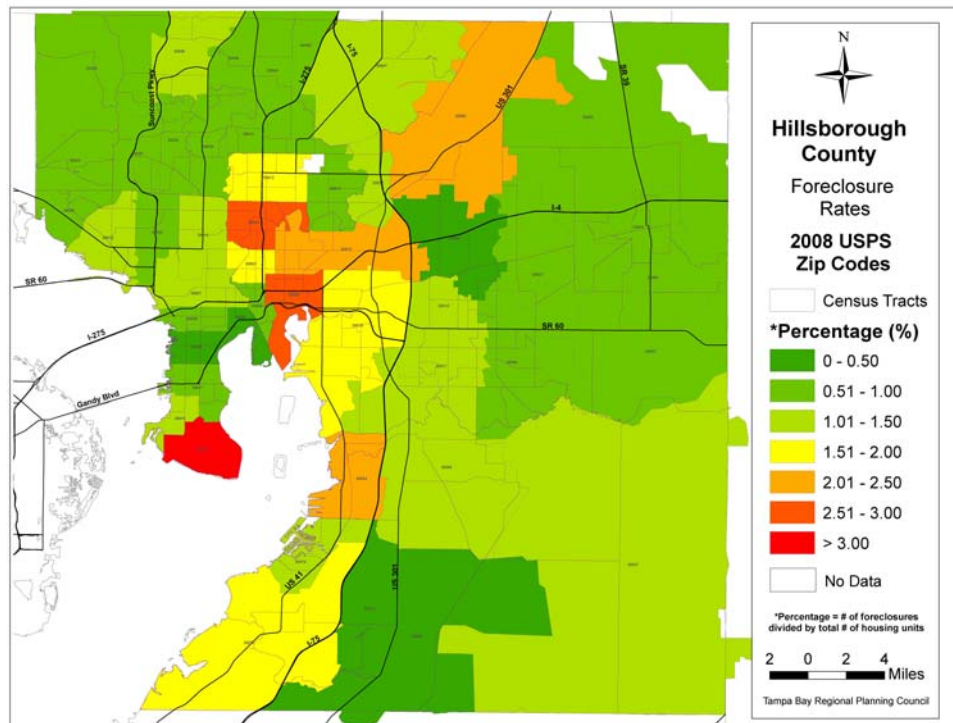
Revised Target Areas were adopted on April 7, 2010 and are incorporated into this document.

Hillsborough County utilized the following data sources for this analysis:

- Hillsborough County Clerk of the Circuit Court Foreclosure Filings Data
 - www.hillsclerk.com/publicweb/home.aspx
- www.foreclosuresdaily.com
- HUD NSP Data from HUD User Website
 - www.huduser.org/publications/commdevl/nsp.html
- www.newyorkfed.org/mortgagemaps/
- www.dataplace.org/

Percentage of Foreclosures

An assessment of the percentage of foreclosures compares the number of foreclosures by zip code to the number of housing structures in existence within that same area. The number of foreclosures was calculated for the period of January 1, 2008 through September 30, 2008 and was downloaded from www.foreclosuresdaily.com. The County analyzed the data and established a foreclosure rate of 1.51% or higher in determining which areas to prioritize. The areas of Gibsonton, Orient Park, Thonotosassa, Palm River/Clair Mel/Progress Village, and the University of South Florida Area were identified in this process.

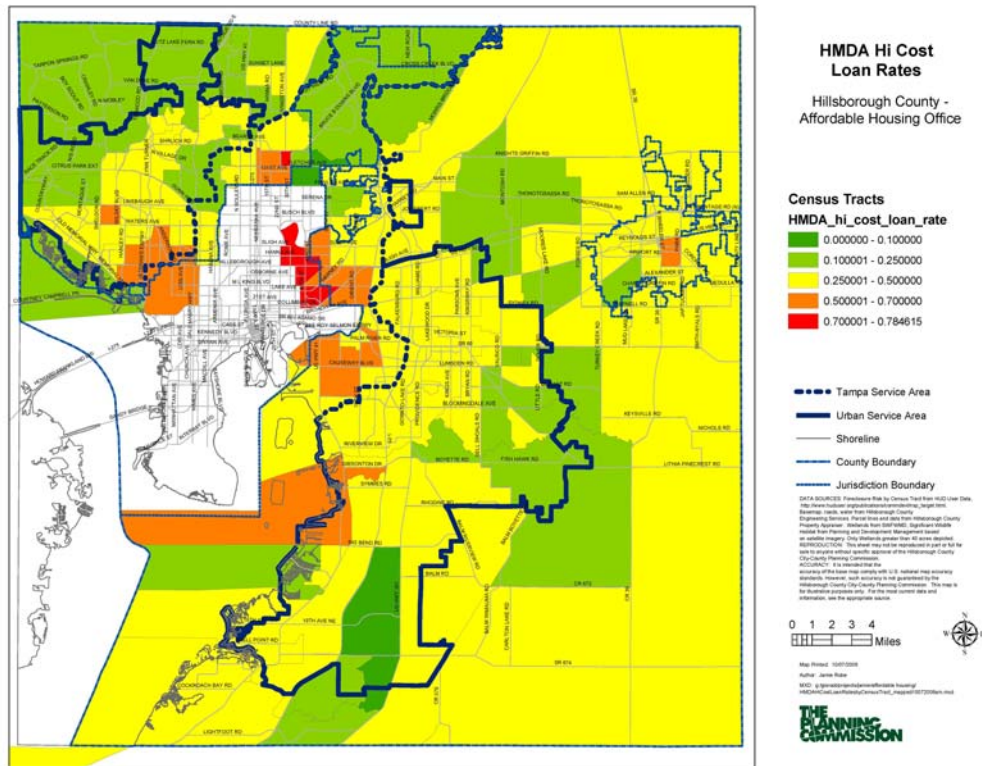


Amended on August 11, 2009, April 7, 2010, August 4, 2010

Subprime (High-Cost) Loans

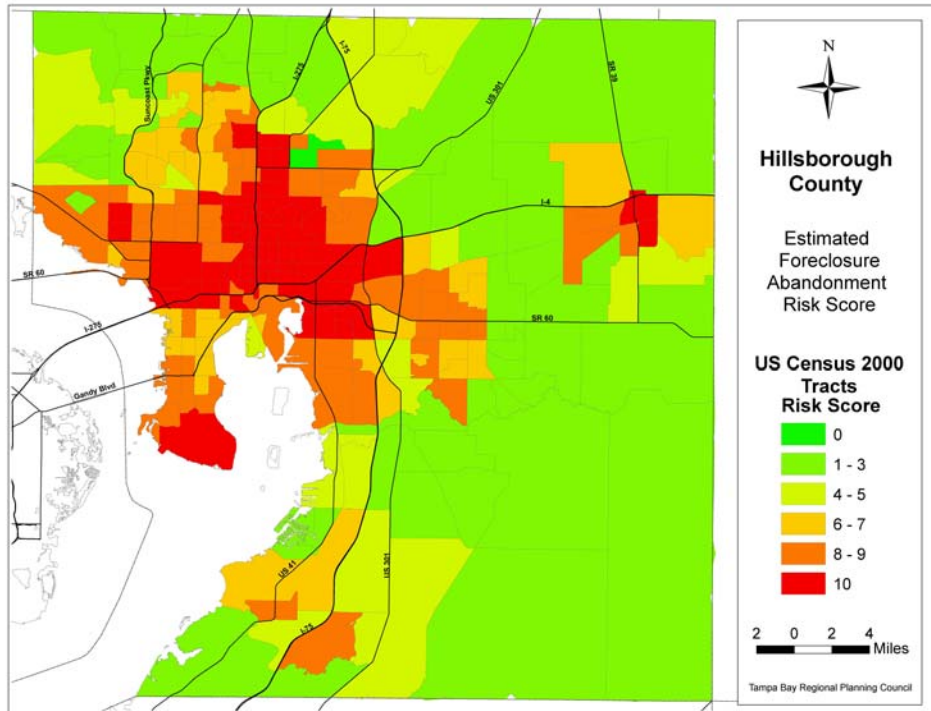
The County utilized Home Mortgage Disclosure Act (HMDA) data provided by U.S. Department of Housing and Urban Development (HUD) to determine areas that contained the highest percentage of homes financed by a subprime mortgage loan.

The County analyzed the data and established a minimum high cost loan rate of 50% or higher in determining which areas to prioritize. The areas of Town n' Country, Gibsonton, Orient Park, Palm River/Clair Mel/Progress Village, University of South Florida Area, and City of Plant City were identified in this process.



Areas at Risk

Using HUD's Foreclosure and Abandonment Risk Scoring System, the County identified the areas of greatest need that will likely face a significant rise in the rate of home foreclosures. This information is presented in the map that follows. The County analyzed the data and established an estimated abandonment foreclosure risk score of 10 in determining which areas to prioritize. The areas of Town n' Country, Orient Park, Palm River/Clair Mel/Progress Village, University of South Florida Area, City of Plant City, Egypt Lake, Carrollwood, Temple Terrace, Dover, Mango, Bloomingdale, and East Brandon were identified in this process.



Additionally, HUD User Data has predicted the census tracts where 18-month underlying problem foreclosure rates will occur. In these census tracts, HUD reports that foreclosure rates will range from 12.5 – 16.6%. This data is consistent with the information represented in the map above and includes the following areas: Orient Park, Palm River/Clair Mel/Progress Village, and the University of South Florida Area.

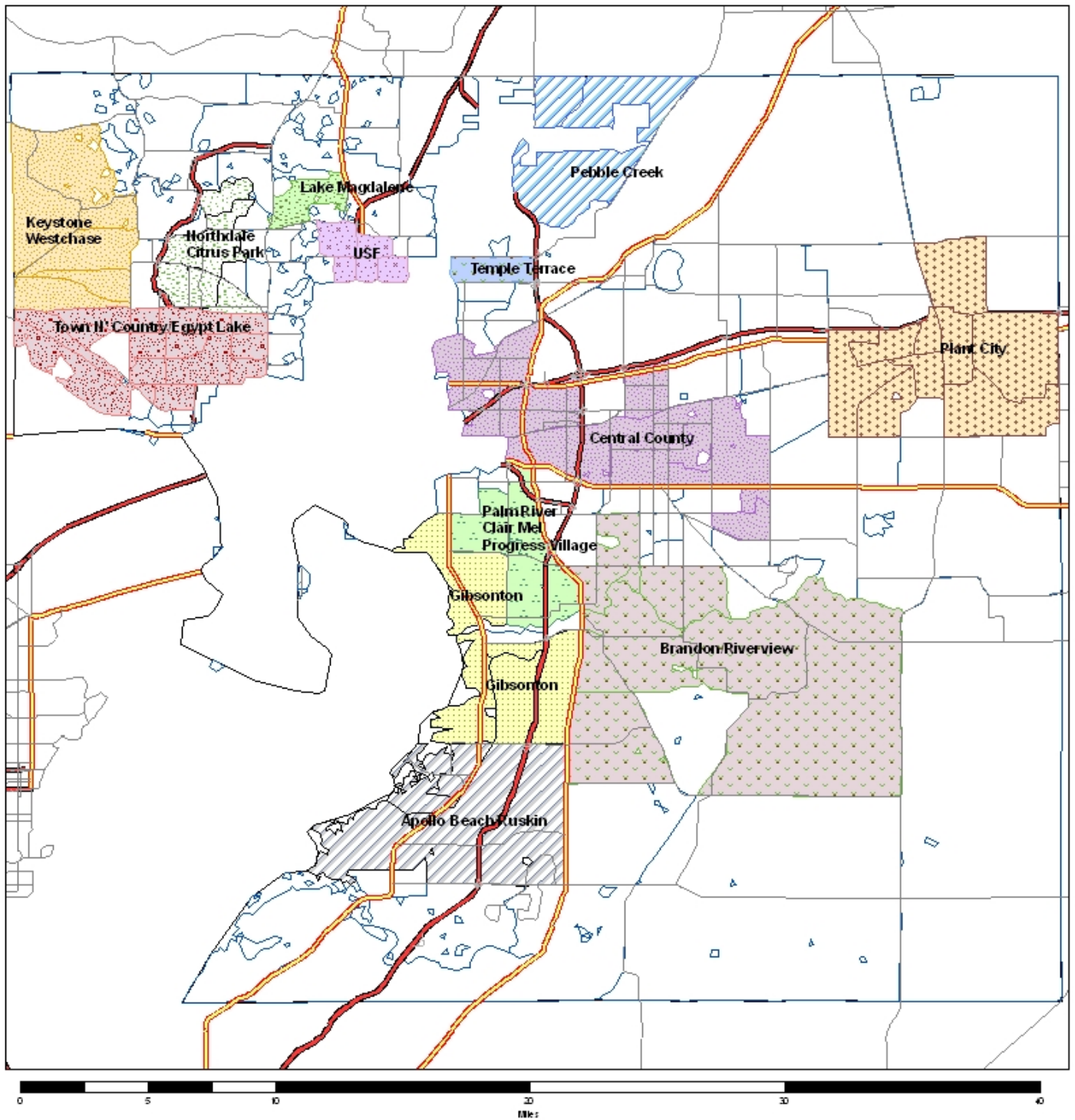
Identified Program Target Areas (As Amended 04/07/10)

The revised NSP Target Areas with Census Tracts identified based upon HUD’s Foreclosure and Vacancy Data.

- Apollo Beach/Ruskin (Census Tracts (CT) 140.04, 141.05 - 141.07)
- Brandon/Riverview (CT 133.09, 134.04 - 134.08, 139.09 - 139.11)
- Central County (CT 104.02, 105.00, 120.01, 120.02, 121.03, 121.05, 122.04 - 122.08, 123.01, 123.03, 123.04, 132.04, 132.05)
- Gibsonton (CT 136.01, 138.01, 138.03 - 138.05)
- Keystone/Westchase (115.05 - 115.08)
- Lake Magdalene (CT 111.07)
- Northdale/Citrus Park/Carrollwood (CT 114.06, 114.13 - 114.16, 115.14, 115.15)
- Palm River/Clair Mel/Progress Village (CT 135.04, 135.05, 136.02, 137.01, 137.02)
- Pebble Creek (CT 102.05 - 102.07)
- Plant City (CT 101.07, 125.01, 125.02, 126, 127.01, 127.02, 128.00, 129, 130.01, 130.02)
- Temple Terrace (CT 108.04)
- Town N’ Country (CT 116.03, 116.05 - 116.08, 116.10 - 116.13, 117.03, 117.05, 117.06, 118.02, 118.03, 118.04)
- USF (CT 108.05 - 108.08, 112.04, 112.06)

Amended on August 11, 2009, April 7, 2010, August 4, 2010

Below is a map of the new Target Areas approved as part of the Substantial Amendment to the FY 2009/10 Action Plan on April 7, 2010.



Amended on August 11, 2009, April 7, 2010, August 4, 2010

Based on the above analysis pursuant to the three defined criteria of “Greatest Need”, the County will implement the NSP Program using the following activities:

- Purchase and Rehabilitation
- Land Banks
- Demolition
- Redevelopment
- Administration and Planning

The County will, however, utilize a majority of NSP Funds for Purchase and Rehabilitation of vacant and foreclosed residential properties.

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.

Narrative Response:

Based upon the County’s analysis, the areas of Orient Park, Palm River / Clair Mel / Progress Village, and the University of South Florida Area meet all three (3) stipulated need categories. The NSP Funds will be used as described in Section G, in the areas referenced above during the first year after the grant award. One year after the NSP award, the County will consider use of available NSP Funds to expand to other areas if warranted by analysis.

C. DEFINITIONS AND DESCRIPTIONS

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

Narrative Response:

Blighted Structure: Any structure unfit for use, habitation, or dangerous to persons or other property. In addition, a structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare. This includes structures showing evidence of physical decay or neglect, excessive use, or lack of maintenance.

(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.

Narrative Response:

The maximum Affordable Rents shall not exceed the Fair Market Rents (FMR) as published annually by the U.S. Department of Housing and Urban Development for the Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area (MSA). The proposed 2009 rents are listed below:

	Eff	1 Bed	2 Bed	3 Bed	4 Bed
FMR	\$705	\$782	\$946	\$1,199	\$1,447

Source: U.S. Department of Housing and Urban Development, 2009

The County will review and approve the rents charged on an annual basis. *Rents will be updated annually according to HUD guidelines. (Amended 8/4/2010)*

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

Narrative Response:

Hillsborough County will ensure long term affordability through the use of a Land Use Restriction Agreement (LURA) that will be recorded against the property. If an owner who has been assisted through this program transfers title to the property before the affordability period expires, the assistance provided by the County will be subject to recapture. The County will annually monitor the multifamily rental developments that are assisted with NSP funds during the affordability period to ensure that the specified units are affordable and that the property(s) continue to meet minimum housing quality standards.

In addition, all properties receiving NSP funding will be secured by a recorded mortgage on the property, in favor of the County. In an effort to make the homes more affordable, eligible clients can apply for down payment assistance, which will be funded with HOME and State Housing Initiative Partnership (SHIP) Funds.

The County will use the minimum affordability period of the federal HOME Investment Partnership Program, 24 CFR 92.252(a), (c), (e) and (f), and 92.254. The minimum affordability period is listed below:

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

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

Amended on August 11, 2009, April 7, 2010, August 4, 2010

Narrative Response:

All housing that requires rehabilitation must meet local building codes including the Standard Southern Building Code (SBCCI), and ordinances pertaining to providing housing that is decent, safe, sanitary, and fit for habitation.

Hillsborough County's Written Rehabilitation Standards will be used to describe in detail the specifications for the rehabilitation work needed to bring substandard housing into compliance with Ordinance 04-18, which defines the minimum housing code for Hillsborough County.

(5) Definition of "Middle Income Household:"

A household having an income equal to or less than 120% of area median income measured as 2.4 times the current Section 8 income limit for households below 50% of median income, adjusted for family size.

(6) Definition of "Moderate Income Household:" A household having an income equal to or less than 80% of area median income, but greater than 50% of area median income.

(7) Definition of "Low Income Household": A household having an income equal to or less than 50% of area median income.

(8) Definition of "Current Market Appraised Value:" The value means the value of a foreclosed upon home or residential property that is established through an appraisal made in conformity with the appraisal requirements of the URA at 49 CFR 24.103 and completed within 60 days prior to an offer made for the property by a grantee, subrecipient, developer, or individual homebuyer.

(9) Definition of Land Bank: A governmental or non-governmental nonprofit entity established, at least in part, to assemble, temporarily manage, and dispose of vacant land for the purpose of stabilizing neighborhoods and encouraging re-use or redevelopment of urban property. For the purposes of the NSP program, a land bank will operate in a specific, defined geographic area. It will purchase properties that have been abandoned or foreclosed upon and maintain, assemble, facilitate redevelopment of, market, and dispose of the land-banked properties. If the land bank is a governmental entity, it may also maintain abandoned or foreclosed property that it does not own, provided it charges the owner of the property the full cost of the service or places a lien on the property for the full cost of the service.

***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: \$4,919,680.**

***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.**

Narrative Response:

The County will utilize \$4,919,680 for the purchase and rehabilitation of abandoned and foreclosed residential properties that will subsequently be made available exclusively for households at or below 50% of AMI. These units primarily will be rental units; however, homeownership opportunities will not be excluded. In that regard, it will be required that any partner selected to do rental types of activities have a proven track record in rental property management. The County will require that any potential multifamily development acquisitions be reviewed by the County's approved Credit Underwriter for financial feasibility.

The County may provide other incentives for housing partners to assist special needs populations and who design creative mechanisms/programs to provide homeownership to low income households.

In the event that a single family housing unit does not sell in within a specified period to be identified in the subrecipient agreement, the County will require the unit be rented to an income eligible household.

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

If so, include:

- **The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.**
- **The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).**
- **The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.**

Narrative Response:

As part of the acquisition process of foreclosed homes, the County will evaluate the property to determine if demolition is an option. If demolition is economically feasible, the County will use NSP Funds and/or other County affordable housing funds to construct a new unit. The County will only consider demolition of properties where the cost for acquisition is for the value of the land only.

- The County has set a benchmark to fund the acquisition and demolition of approximately 10 housing units for households at or below 120% of area median income.
 - Low Income Units = 5
 - Moderate Income Units = 3
 - Middle Income Units = 2

It is anticipated that the acquisition process will begin in February 2009 followed by the rehabilitation assistance, if needed, during the year. The project will be considered completed upon either: transfer to an eligible homeowner; or, when the unit is rented to an eligible tenant. All activities are anticipated to be complete by and will continue through the end of the calendar year (July 2010).

Activity and number of households by income category:

Activity	Low Income	Moderate Income	Middle Income	Total Assisted
Purchase and Rehabilitation	60	35	15	110
Land Banks	2	2	2	6
Demolition	5	3	2	10
Redevelopment	2	2	2	6

The County will follow the Uniform Relocation Act requirements for any affected household where a housing unit is being demolished that has not been vacant for greater than ninety (90) days.

F. PUBLIC COMMENT: Provide a summary of public comments received to the proposed NSP Substantial Amendment.

Hillsborough County facilitated a 15 day public review and comment period beginning on October 10, 2008 and ending on October 26, 2008. Public notices were published in accordance with the County’s Citizen Participation Plan to notify interested citizens where they could review the draft of the proposed amendment. Copies were made available at the following locations on October 10, 2008:

- Affordable Housing website: www.hillsboroughcounty.org/affordablehousingoffice/
- Affordable Housing Office - 1208 Tech Boulevard, Suite 300, Tampa
- 78th Street Community Library -7625 Palm River Road, Tampa
- Jimmy B. Keel Library - 2902 West Bearss Ave., Tampa
- Ruskin Library - 1 Dickman Drive SE, Ruskin
- Bruton Memorial Library - 302 McLendon Street, Plant City
- University Area Community Center - 14013 22nd Street, Tampa

A second public comment period was held from June 26 through August 5, 2009, ending with a public hearing on August 11, 2009 . This was for a second substantial amendment that further developed funding mechanisms discussed in the original plan. This amendment has been incorporated within this plan.

A third public comment period was held from March 5 – April 7, 2009, ending with a public hearing on April 7th at 2:00 p.m. This was for a third substantial amendment which expanded the NSP Target Areas. This amendment has been incorporated within this plan.

Amended on August 11, 2009, April 7, 2010, August 4, 2010

A third public comment period was held from July 20, 2010 – August 4, 2010 ending with a public hearing on August 4, 2010 at 2:00 p.m. This was for a third substantial amendment to re-allocate funding between activities. This amendment has been incorporated within this plan, updating as necessary to reflect the changes proposed by this amendment.

The Affordable Housing Office hosted two focus meetings during the review period: one with lenders and another with for-profit and nonprofit housing providers. The purpose of these meetings was to discuss the proposed amendment and gain insight that would be helpful for the development and implementation of the NSP Program. A summary of each of these meetings is provided Exhibit C.

Additionally, a public hearing was held on November 6, 2008 to receive public comments on the proposed amendment to the 2008-2009 Annual Action Plan. During the public hearing numerous people had an opportunity to speak, many of whom were supportive of the plan and others who were seeking information as to how they could participate. A transcript from this hearing is provided in Exhibit C.

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

The County intends to develop multiple Requests for Qualifications (RFQ) for partners to assist with the acquisition, rehabilitation, management, and disposition of properties. Such partners may include, but not be limited to, housing non-profits/for-profits, lenders, title companies, asset/property managers, appraisers, real estate companies, contractors (including demolition contractors), and inspection firms. Capacity and proven track record will be among the critical areas that the County reviews in selecting non-profit and for-profit partners.

Activity 1: Purchase and Rehabilitation

(1) Activity Name: Purchase and Rehabilitation of Abandoned and Foreclosed Residential Properties (Single Family and Multi-family)

(2) Activity Type: *2301(c)(3)(B) purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties;*

- 24 CFR 570.201
 - (a) Acquisition
 - (b) Disposition
 - (i) Relocation
 - (n) Direct homeownership assistance to persons whose incomes do not exceed 120% of median income
- 24 CFR 570.202 eligible rehabilitation and preservation activities for homes and other residential properties

(3) National Objective:

- 24 CFR 570.208(a)(3) – Housing Activities
- For the purposes of NSP CDBG only, an activity may meet the low- and moderate income national objective if the assisted activity provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120 percent of area median income (abbreviated as LMMH)

(4) Projected Start Date: **February 16, 2009**

(5) Projected End Date: **July 30, 2013**

(6) Responsible Organization: Hillsborough County – Affordable Housing Office
1208 Tech Blvd., Ste. 300
Tampa, FL 33619
Valmarie H. Turner, Director

***The County will also solicit through multiple Requests for Qualifications for organizations/partners to participate in the program.*

(7) Location Description: This activity will be carried out in the target areas as referenced in Section A – Areas of Greatest Need. After analysis within the target area, specific properties will be evaluated. Factors may include elements such as block location, amount of rehabilitation, ownership,

Amended on August 11, 2009, April 7, 2010, August 4, 2010

and other criteria affecting costs.

(8) Budget: \$16,300,000.00 ~~\$10,300,000 per 8/11/09 amendment~~ \$14,650,000 per 8/4/2010 amendment

Activity Description: The County's Affordable Housing Office (AHO) will implement the three components of this activity (acquisition, rehabilitation, and sale) in the following manner.

Acquisition

AHO will work with lenders to acquire homes that have been foreclosed, vacant for at least 90 days, and are on the lender's or investor's current inventory. Once foreclosed properties have been identified in the target areas, the County will negotiate with the lender(s) to obtain the maximum reasonable discount for use in the program.

Except as set forth below, the average purchase discount for all properties purchased with NSP funds during the 18-month use period shall be at least 15 percent. The average purchase discount shall be at least 10 percent if the County determines the maximum reasonable discount for each purchase transaction through use of a methodology that results in a discount equivalent to the total carrying costs that would be incurred by the seller if the property were not purchased with NSP funds (provided the discount is at least 5 percent).

Such methodology shall provide for an analysis of the estimated holding period for the property and the nature and amount of the carrying costs of holding the property for this period. Such carrying costs shall include, but not be limited to: taxes, insurance, maintenance, marketing, overhead, and interest. The County will document this analysis for each purchase transaction.

Through a RFQ process, the County will develop a list of qualified and approved Housing Partners. The County will work the Housing Partners on securing the negotiated lender owned properties in the targeted areas. The County will provide funding at 0% interest for approved Housing Partners to acquire and rehabilitate (if necessary) the properties to be sold and/or rented to an eligible household after rehabilitation. The County will limit the number of properties that the Housing Partners can obtain based on their capacity. The County will notify approved Housing Partners of the homes to be acquired and limit the number that can be acquired by any one agency based on their capacity.

Single family and multifamily housing units assisted under this activity will have a recorded mortgage and Land Use Restriction Agreement (LURA) on the properties.

Program income received from the sale or rental of assisted units will be recycled for eligible NSP activities.

The County will allow and pay for service fees that are fair and reasonable as part of the acquisition and rehabilitation process. Service fees and other soft/project related costs associated

Amended on August 11, 2009, April 7, 2010, August 4, 2010

with the acquisition and rehabilitation shall be considered “Program Delivery” type costs and will be charged to the individual projects assisted.

Revisions to Activity 1: (Amended 08/11/09)

AHD will work with owners to acquire homes that have been abandoned, foreclosed upon or vacant. In purchasing homes and residential properties that have been foreclosed upon, such properties will be acquired out of foreclosure. AHD work with the Housing Partners to directly purchase from entities that obtained title to the properties through foreclosure (e.g., the lender or trustee for holders of obligations secured by mortgage liens). Acquisition of abandoned properties will occur while they are in abandonment status.

Rehabilitation

Through the NSP program, AHO will facilitate the rehabilitation of both single family and multi-family residential properties. Costs of the rehabilitation can include labor, materials, supplies, permits, lead paint assessment, abatement and clearance, barrier removal, energy efficient measures asbestos removal and program delivery. Rehabilitation projects involving one or more units in a multi-unit building owned as a condominium, will be limited to the particular unit(s) and will not involve rehabilitation of portions of the property that are held in common ownership.

Housing units acquired through the use of NSP funds will require rehabilitation in most cases. The County will provide NSP funds for housing rehabilitation to bring the housing units up to the County’s Minimum Housing Code as per Ordinance 04-18. Funding will be provided through a secured lien on the property at 0% interest.

It is anticipated that a portion of the funds associated with this activity will be for households earning at or below 50% of AMI. This could be in the form of a rehabilitated single family or multifamily unit. If a housing unit is rented, it is critical that any chosen Housing Partner has a proven track record in property management. The County will require that any multifamily developments proposed for acquisition be reviewed by the County’s approved Credit Underwriter for financial feasibility.

The County may provide other incentives for Housing Partners to assist special needs populations, which may include the homeless, disabled, victims of domestic violence, and others.

The County will provide incentives for improving energy efficiency, conservation, or providing renewable energy source(s). These types of features will provide for long-term affordability and increased sustainability and attractiveness of housing and neighborhoods.

All housing acquired through this program must meet all local building codes (including the Standard Southern Building Code, (SBCCI) and ordinances pertaining to providing housing that is decent, safe, sanitary and fit for habitation.

Hillsborough County’s Written Rehabilitation Standards will be used to describe in detail the specifications for the rehabilitation work needed to bring substandard housing into compliance with Ordinance 04-18, which defines the minimum housing code for Hillsborough County.

The County will allow and pay for development fees that are fair and reasonable as part of the acquisition and rehabilitation process. Development fees and other soft/project related costs associated with the acquisition and rehabilitation shall be considered “Program Delivery” type costs and will be charged to the individual projects assisted.

Sales

All housing units acquired and rehabilitated through this program will be made available for sale or lease to households at or below 120% of the AMI. If an abandoned or foreclosed-upon home or residential property is to be sold to an individual as a primary residence, no profit may be earned on such sale. To enable affordability down payment assistance from other funding sources may be provided to the homeowner. The funding may reduce interest rates, mortgage principal amounts, provide a second mortgage and pay the purchaser’s reasonable closing costs. Homebuyer counseling will be required before the sale to the homebuyer. All parties on the deed will be required to have at a minimum of 8 hours of homebuyer counseling from a HUD-approved housing counseling agency prior to obtaining a mortgage loan.

The lender of any first mortgage loan provided to an income eligible household must comply with and document their compliance with the Treasury’s guidance for non-traditional mortgages (*available at <http://www.fdic.gov/regulations/laws/rules/5000-5160.html>*). All loans must be at a fixed rate loans not to exceed a term of forty (40) years.

The County will use the minimum affordability standards that fall under the federal HOME Investment Partnership Program which are listed below:

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

The County will establish a period of time in which our housing partner(s) must sell the acquired home. Failure to sell the home in a timely manner will result in the possibility of the home being turned in to a rental unit to be managed by a Property Management agency that has been qualified by the County during the RFQ process.

Program income received from the sale of assisted units will be recycled for eligible NSP activities.

Number of households served by income category:

Activity	Low Income	Moderate Income	Middle Income	Total Assisted
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Purchase & Rehabilitation	60	35	15	110
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Activity 2: Land Banks

- (1) Activity Name: Land Banking of Acquired Properties
- (2) Activity Type: 2301(c)(3)(c) establish land banks for homes that have been foreclosed upon
- 24 CFR 570.201
 - (a) Acquisition
 - (b) Disposition
- (3) National Objective:
- 24 CFR 570.208(a)(3) – Housing Activities
 - For the purposes of NSP CDBG only, an activity may meet the low- and moderate income national objective if the assisted activity provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120 percent of area median income (abbreviated as LMMH)
- (4) Projected Start Date: **February 16, 2009**
- (5) Projected End Date: **July 30, 2013**
- (6) Responsible Organization: Hillsborough County – Affordable Housing Office
1208 Tech Blvd., Ste. 300
Tampa, FL 33619
Valmarie H. Turner, Director
- **The County will also solicit through multiple Requests for Qualifications for organizations/partners to participate in the program.*
- (7) Location Description: This activity will be carried out in the target areas as referenced in Section A – Areas of Greatest Need. After analysis within the target area, specific properties will be evaluated. Factors may include elements such as block location, amount of rehabilitation, ownership, and other criteria affecting costs.
- (8) Budget: ~~\$100,000.00~~ **\$1,500,000.00 per 8/4/2010 amendment**

Activity Description: The County will purchase properties in the defined target areas that have been abandoned or foreclosed and temporarily maintain, assemble parcels, facilitate redevelopment of, market, and dispose of those properties for the purpose of stabilizing neighborhoods and encouraging reuse or redevelopment. Each property will be maintained by the Affordable Housing Office's Land Inventory and be sold to income eligible households and/or sold to develop affordable housing for income-eligible households.

Land banking will directly benefit households at or below 120% AMI. Financing will be provided at a 0% deferred payment loan. The property will not be held more than ten (10) years from the date of acquisition.

If homes are constructed on the acquired properties, homes will be made available to income eligible households.

The County will use the minimum affordability standards that fall under the federal HOME Investment Partnership Program which are listed below:

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

As described above, the County will ensure continued affordability through the use of a Land Use Restriction Agreement (LURA) and mortgage.

Activity and number of households by income category:

Activity	Low Income	Moderate Income	Middle Income	Total Assisted
Land Banking	2	2	2	6

Activity 3: Demolition of Blighted Structures

- (1) Activity Name: Demolition and Clearance of Foreclosed and Abandoned Residential Properties
- (2) Activity Type: 2301(c)(3)(D) demolish blighted structures
- 24 CFR 570.201(d) – Clearance Activities for Blighted Structures Only
 - The County will obtain approval from HUD before demolishing any HUD-Owned properties
- (3) National Objective:
- 24 CFR 570.208(a)(3) – Housing Activities
 - For the purposes of NSP CDBG only, an activity may meet the low- and moderate income national objective if the assisted activity:
 - Provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120 percent of area median income (abbreviated as LMMH)
- (4) Projected Start Date: **February 16, 2009**
- (5) Projected End Date: **July 30, 2013**
- (6) Responsible Organization: Hillsborough County – Affordable Housing Office
1208 Tech Blvd., Ste. 300
Tampa, FL 33619
Valmarie H. Turner, Director
- **The County will also solicit through multiple Requests for Qualifications for organizations/partners to participate in the program.*
- (7) Location Description: This activity will be carried out in the target areas as referenced in Section A – Areas of Greatest Need. After analysis within the target area, specific properties will be evaluated. Factors used for the selection of blighted structures to demolish may include elements such as block location, amount of rehabilitation, number of blighted structures, ownership, and other criteria affecting costs-effectiveness of rehabilitation.
- (8) Budget: \$100,000.00

Activity Description: Housing units acquired through the County’s program, which are not economically feasible to rehabilitate, and/or pose a health/safety threat, may be demolished. The County will only consider demolition of properties where the cost for acquisition is for the value of the land only. Demolished homes may be placed in the affordable housing land inventory to be subsequently provided to an Affordable Housing Office housing partner. Another option is that the Housing Partner may acquire the property, demolish and construct a new home on the property. The County will provide the funds in the form of a grant for the demolition. The County may subsequently provide funding for the construction of a new home using NSP funds or other County affordable housing grant funds. If the County provides funding for the construction, it will be in the form of a secured loan against the property at a 0% interest rate and include executing a Land Use Restriction Agreement (LURA) on the property. New housing will be available to households whose incomes are at or below 50% of AMI.

Activity and number of households by income category:

Activity	Low Income	Moderate Income	Middle Income	Total Assisted
Demolition	5	3	2	10

Activity 4: Redevelopment

- (1) Activity Name: Redevelop Demolished or Vacant Properties
- (2) Activity Type: *2301(c)(3)(E) redevelop demolished or vacant properties*
- 24 CFR 570.201
 - (a) Acquisition
 - (b) Disposition
 - (c) Public facilities and improvements
 - (e) Public services for housing counseling, but only to the extent that counseling beneficiaries are limited to prospective purchasers or tenants of the redeveloped properties
 - (i) Relocation
 - (n) Direct homeownership assistance (for persons whose income does not exceed 120% of median income)
- (3) National Objective:
- 24 CFR 570.208(a)(3) – Housing Activities
 - For the purposes of NSP CDBG only, an activity may meet the low- and moderate income national objective if the assisted activity provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120 percent of area median income (abbreviated as LMMH)
- (4) Projected Start Date: **February 16, 2009**
- (5) Projected End Date: **July 30, 2013**
- (6) Responsible Organization: Hillsborough County – Affordable Housing Office
1208 Tech Blvd., Ste. 300
Tampa, FL 33619
Valmarie H. Turner, Director
- **The County will also solicit through multiple Requests for Qualifications for organizations/partners to participate in the program.*
- (7) Location Description: This activity will be carried out in the target areas as referenced in

Section A – Areas of Greatest Need. After analysis within the target area, specific properties will be evaluated. Factors used for the selection of blighted structures to demolish may include elements such as block location, amount of rehabilitation, number of blighted structures, ownership, and other criteria affecting costs-effectiveness of rehabilitation.

(8) Budget: \$719,680.20

Activity Description: This activity will be to redevelop vacant or blighted properties in order to offer affordable housing opportunities and to stabilize neighborhoods being impacted by abandoned and foreclosed properties. Housing partners will work with the County to initiate construction of affordable housing within a reasonable period of time, as determined by the County, following demolition.

All housing units redeveloped through this program will be made available for sale or lease to households at or below 120% of the AMI. If the be sold to an individual as a primary residence, no profit may be earned on such sale. To enable affordability down payment assistance from other funding sources may be provided to the homeowner. The funding may reduce interest rates, mortgage principal amounts, provide a second mortgage and pay the purchaser's reasonable closing costs. Homebuyer counseling will be required before the sale to the homebuyer. All parties on the deed will be required to have at a minimum of 8 hours of homebuyer counseling from a HUD-approved housing counseling agency prior to obtaining a mortgage loan.

The lender of any first mortgage loan provided to an income eligible household must comply with and document their compliance with the Treasury's guidance for non-traditional mortgages (*available at <http://www.fdic.gov/regulations/laws/rules/5000-5160.html>*). All loans must be at a fixed rate loans not to exceed a term of forty (40) years.

The County will use the minimum affordability standards that fall under the federal HOME Investment Partnership Program which are listed below:

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

The County will establish a period of time in which our housing partner(s) must sell the acquired home. Failure to sell the home in a timely manner will result in the possibility of the home being turned in to a rental unit to be managed by a Property Management agency that has been qualified by the County during the RFQ process.

Program income received from the sale of assisted units will be recycled for eligible NSP activities.

As described above, the County will ensure continued affordability through the use of a Land Use Restriction Agreement (LURA) and mortgage.

Activity and number of households by income category:

Activity	Low Income	Moderate Income	Middle Income	Total Assisted
Redevelopment	2	2	2	6

Activity 5: Administration and Planning Costs

- (1) Activity Name: Planning and Administration
- (2) Activity Type: Planning and Administration
Housing and Economic Recovery Act 2301(c)(3)
24 CFR 570.206(1)
- (3) National Objective: N/A
- (4) Projected Start Date: September 29, 2008
- (5) Projected End Date: July 30, 2013
- (6) Responsible Organization: Hillsborough County – Affordable Housing Office
1208 Tech Blvd., Ste. 300
Tampa, FL 33619
Bill Armstrong, Interim Director
- (7) Location Description: Hillsborough County – Affordable Housing Office
1208 Tech Blvd., Ste. 300
Tampa, FL 33619
Valmarie H. Turner, Director
- (8) Budget: \$1,913,297.80

Activity Description:

NSP funds will be used to pay reasonable program administration costs related to the planning and execution of the activities listed above. This includes costs related to staffing for overall program management, coordination, monitoring, reporting, and direct and indirect charges.

Activity and number of households by income category:

N/A

Activity 6: Financing Mechanisms (As Amended 08/11/09)

- (1) Activity Name: *Financing Mechanisms: Homebuyer Financing of NSP acquired properties*
- (2) Activity Type: *2301(c)(3)(A) financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties*
24 CFR 570.201(n)
 - *(a) Acquisition*
 - *(b) Disposition*
 - *(i) Relocation, and*
 - *(n) Direct homeownership assistance including downpayment and closing cost assistance, mortgage interest rate reduction, lease/purchase, contract for deed*
 - *24 CFR 570.202 eligible rehabilitation and preservation activities for homes and residential properties*
- (3) National Objective: *24 CFR 570.208(a)(3) – Housing Activities*
 - *NSP CDBG activities will meet the low-, moderate and middle income national objective of the assisted activity provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120 percent of area median income (abbreviated as LMMH);*
- (4) Projected Start Date: *October 1, 2009*
- (5) Projected End Date: *July 30, 2013*
- (6) Responsible Organization: *Hillsborough County – Affordable Housing Office*
1208 Tech Blvd., Ste. 300
Tampa, FL 33619

Valmarie H. Turner, Director

(7) Location Description: *This activity will be carried out in the target areas as referenced in Section A – Areas of Greatest Need, as amended.*

(8) Budget: ~~\$6,000,000.00*~~ *per 8/11/2009 amendment \$250,000.00 per 8/4/2010 amendment*

**NSP funds for the acquisition and rehabilitation or demolition/new construction will remain with the property as a soft second.*

Activity Description:

This activity will provide zero (0) % deferred financing to purchase foreclosed homes, which will be made available for sale to households with incomes up to 120% of AMI. NSP funding up to \$65,000 will be provided for soft seconds, buy down interest rates, pay closing costs, down payment assistance and shared equity loans for persons earning up to 120% AMI. These funds will be used to finance the purchase of abandoned or foreclosed properties acquired by the County's NSP Housing Partners in the NSP target areas.

Recipients of financing will be homebuyers only. All sales contracts will be based on the cost of property acquisition, rehabilitation or redevelopment, and soft costs associated with the contract work. Properties will be subject to the recapture or resale requirements as the minimum to meet the continued affordability requirements of the property. Shared equity provisions, enforced during the affordability period, will be included in the financing documents. This will provide program income if any properties appreciate in value but are sold before the term expires. Any shared equity funds received will continue to be used as a subsidy for eligible households (>120% AMI) to finance the purchase of another affordable home.

The period of continued affordability will be as follows:

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

Program income received from the sale of assisted units will be recycled for eligible housing activities.

The County will assist up to 110 qualified households in obtaining home ownership over an 18 month period of which 60 will be low income households.

*Activity and number of households by income category:
Activity Low Income - 60*

Amended on August 11, 2009, April 7, 2010, August 4, 2010

Moderate Income -35
 Middle Income -15
 Total Assisted -110

Other Program Requirements

- *Homebuyer Counseling.* All NSP-assisted homebuyers must receive at least eight hours of homebuyer counseling from a HUD-approved Housing Counseling Agency prior to obtaining a mortgage loan.

- *Lender Requirements.* The lender of any first mortgage loan provided to an income eligible household must comply with Treasury’s guidance for nontraditional mortgages available at:

<http://www.fdic.gov/regulations/laws/rules/5000-5160.html>

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

SUBSTANTIAL AMENDMENT			
NEIGHBORHOOD STABILIZATION PROGRAM (NSP)			
PROGRAM YEAR 2008-09 ACTION PLAN			
Hillsborough County, Florida			
Activity Changed, Added or Deleted	Existing Budget	Funds Removed or Added	Proposed Budget
Financing Mechanisms*	\$6,000,000.00	-\$5,750,000.00	\$250,000.00
Purchase/Rehabilitation*	\$10,300,000.00	\$4,350,000.00	\$14,650,000.00
Land Bank	\$100,000.00	\$1,400,000.00	\$1,500,000.00
Demolition	\$100,000.00	-	\$100,000.00
Redevelopment	\$719,680.20	-	\$719,680.20
Planning and Administration	\$1,913,297.80	-	\$1,913,297.80
Total	\$19,132,978.00	na	\$19,132,978.00
<p><i>* The August 11, 2009 amendment established the Financing Mechanisms for NSP and budgeted \$6,000,000 for this activity. The \$6,000,000 was removed from the Purchase/Rehabilitation Activity.</i></p> <p><i>This amendment reduces the Financing Mechanisms by \$5,750,000, leaving \$250,000 in this activity and re-allocating \$4,350,000 back to the Purchase/Rehabilitation Activity and adding \$1,400,000 to the Land Bank Activity.</i></p> <p><i>Per the NSP Program Amendment of August 4, 2010.</i></p>			

Amended on August 11, 2009, April 7, 2010, August 4, 2010

**Hillsborough County
Neighborhood Stabilization Program Budget**

NSP Allocation:	\$ 19,132,978.00			
	Amount	50% and Below Amount	51 - 120% AMI Amount	Total \$
Purchase and Rehabilitation	\$ 16,300,000.00	\$ 4,100,000.00	\$ 12,200,000.00	\$ 16,300,000.00
Land Banks	\$ 100,000.00	\$ 50,000.00	\$ 50,000.00	\$ 100,000.00
Demolition	\$ 100,000.00	\$ 50,000.00	\$ 50,000.00	\$ 100,000.00
Redevelopment	\$ 719,680.20	\$ 719,680.20	-	\$ 719,680.20
Planning and Administration*	\$ 1,913,297.80	-	-	\$ 1,913,297.80
Total	\$ 19,132,978.00	\$ 4,919,680.20	\$ 12,300,000.00	\$ 19,132,978.00
		25.7%	64.3%	

*Planning and Administration is limited to 10% of Allocation.

The County will also charge any pre-award costs incurred as part of the preparation of the Substantial Amendment to the Planning and Administration portion of the grant. In addition, all costs such as appraisals, title searches and title insurance, environmental assessments, inspections, development fees, engineering studies and mitigation, market analysis, credit underwriting reports, and associated permits, will be charged to each individual project.

I. Performance Measures:

The County will incorporate performance measures and benchmarks into agreements with the housing partners. This will ensure that funds are expended in a timely manner and that acquired properties are made available for disposition as soon as they are available. All housing partners will be monitored annually for compliance. Penalties and/or sanctions will be imposed on non-performing agencies.

- Households at or below 50% of Area Median Income = no less than 25% of funds; 60 Units
- 51 to 80% = 35 Units
- 81 to 120% = 15 Units

Activity	Low Income	Moderate Income	Middle Income	Total Assisted
Purchase and Rehabilitation	60	35	15	110
Land Banks	2	2	2	6
Demolition	5	3	2	10
Redevelopment	2	2	2	6