

City of Miramar
Neighborhood Stabilization Program (NSP)



Amendment to FY 2008 Action Plan

Approved November 19, 2008

First Amendment February 3, 2010

Second Amendment – March 17, 2010

Third Amendment – August 18, 2010

The NSP Application & Checklist

Grantees have the option of submitting a paper NSP Application or a form under the DRGR system. This form sets forth the preferred format for grantees under the NSP Program. A substantially complete application contains the information requested below, including (1) a general application, (2) activity specific information, and (3) certifications. Applicants should also attach a completed NSP Application Checklist (included below), to ensure completeness and efficiency of review. Applicants must also submit an SF-424, available at http://www.grants.gov/agencies/aapproved_standard_forms.jsp.

The NSP Application (PROPOSED)

I. NSP General Application

Jurisdiction(s): (lead agency)

CITY OF MIRAMAR

Jurisdiction Web Address:

www.ci.miramar.fl.us

NSP Contact Person: **Gus Zambrano, Director, ED & R**

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BACKGROUND ON THE NSP APPLICATION

The Neighborhood Stabilization Program (NSP) provides emergency assistance to states and certain local governments, such as the City of Miramar to facilitate the acquisition and rehabilitation of foreclosed and abandoned properties that might otherwise become sources of abandonment and blight within the community. NSP is meant to stabilize neighborhoods and stem the decline of house values of neighboring homes. The program is authorized under Title III of the Housing and Economic Recovery Act of 2008. The Housing and Economic Recovery Act (HERA) which authorizes NSP, indicates that funds be allocated to states and units of general local government with the greatest need based on:

- (A) The number and percentage of home foreclosures in each State or unit of general local government;
- (B) The number and percentage of homes financed by a subprime mortgage related loan in each State or unit of general local government; and
- (C) The number and percentage of homes in default or delinquency in each State or unit of general local government.

Data Availability and HUD's Formula Process

The HERA statute calls for allocating funds based on the number and percent of foreclosures, subprime loans, and loans delinquent or default. The allocation of NSP funds is data driven. Sources used in the allocation formula include, the Mortgage Bankers Association National Delinquency Survey (MBA-NDS) 2006 American Community Survey Data, Home Mortgage Disclosure Act (HMDA) data, and United States Postal Service 90 day vacancy information.

In the NSP formula allocation process, 70 percent of the funds were allocated based on the number and percent of foreclosures, 15 percent for subprime loans, 10 percent for loans in default, and 5 percent for delinquent loans. The higher weight on foreclosures is based on the emphasis the statute places on targeting foreclosed homes.

A sub-state formula was then developed to allocate funds to local government. The sub-state formula data takes into account the following variables:

- Office of Federal Housing Enterprise Oversight (OFHEO) data on decline in home values as of June 2008 compared to peak home value since 2000.
- Federal Reserve Home Mortgage Disclosure Act (HMDA) data on percent of all loans made between 2004 and 2006 that are high cost.
- Labor Department data on unemployment rates in places and counties as of June 2008.

The three variables above are publicly available for all CDBG eligible communities and are considered good predictors of foreclosure risk.

In developing its NSP application the City referred to these sources as the primary indicator of where to target NSP funds.

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.

Response:

Summary of Needs in the City of Miramar

According to the 2006 Census, American Community Survey, the City of Miramar had approximately 111,881 persons living in the City, with approximately 37,009 housing units throughout the City. More than 75% (27,756) of those households were owner occupied and 24.4% (9,030) were renter occupied. Among the 37,009 households, 7.9% (2,923) were vacant. The average household size was 3.26 persons. The median household income was \$61,361. The median value of owner-occupied homes was \$350,400 with an average monthly cost of \$2,051 for those homes with a mortgage.

Utilizing the available data and the two part NSP formula developed by HUD, the City of Miramar received an abandonment score of 10.2% which is considered high risk. This compares to a statewide 8.0% abandonment score.

Geographic Areas of Greatest Need

Tables 1, 2 and 3, which contain HUD tabulated foreclosure data, provide insight into the geographic areas of greatest need in Miramar. The rows highlighted in light gray were identified as predominately (more than 50%) low/moderate income areas according to the 2000 Census and in the **City's 2005-2009 Consolidated Plan**. The City's Consolidated Plan contains an analysis of the housing needs of the entire jurisdiction. All of the low/moderate income areas had an estimated double digit foreclosure rate as determined by HUD. Other areas in the community with double digit foreclosure estimates (shaded in dark gray) are contiguous to the predominately low/moderate income census tracts. All of the shaded census tracts are East of Palm Avenue in the City of Miramar.

The data indicated that the unemployment rate in all Miramar census tracts averaged 4.8 – 5.0% throughout the City's census tracts.

Table 1: Estimated Foreclosure Rate

Census Tract	Estimated Number of Foreclosures	Estimated Number of Mortgages	Estimated Foreclosure Rate
091500	286	2,174	13.2%
100801	92	735	12.5%
110317	1,294	16,564	7.8%
110318	848	9,275	9.1%
110319	230	2,161	10.6%
110320	530	4,404	12.0%
110321	214	2,709	7.9%
110322	452	5,205	8.7%
110323	295	2,469	11.9%
110402	233	1,973	11.8%
110403	289	2,334	12.4%
110404	293	2,353	12.5%
110500	466	3,727	12.5%

Source: Huduser.org

Table 2: Estimated Vacancy Rate

Census Tract	Total 90 Day Vacant Residential Addresses	Total Residential Addresses	Estimated 90 Day Vacancy Rate
091500	47	1,626	2.9%
100801	47	1,123	4.2%
110317	203	13,013	1.6%
110318*	351	6,419	5.5%
110319	21	2,182	1.0%
110320	187	4,172	4.5%
110321	29	1,636	1.8%
110322	119	3,498	3.4%
110323	39	1,944	2.0%
110402	26	1,377	1.9%
110403	63	1,545	4.1%
110404	55	1,846	3.0%
110500	62	2,585	2.4%
	1249	42,966	

Source: Huduser.org

Table 3: Total High Cost Loans

Census Tract	Total High Cost Loan 2004 to 2006 HMDA Loans	Total 2004 to 2006 HMDA loans	Estimated High Cost Loan Rate
091500	698	1,222	57.1%
100801	222	413	53.8%
110317	2,695	9,312	28.9%
110318	1,849	5,214	35.5%
110319	531	1,215	43.7%
110320	1,266	2,476	51.1%
110321	437	1,523	28.7%
110322	966	2,926	33.0%
110323	703	1,388	50.6%
110402	553	1,109	49.9%
110403	696	1,312	53.0%
110404	707	1,323	53.4%
110500	1,123	2,095	53.6%

Source: Huduser.org

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:

A) Areas with the greatest percentage of home foreclosures

Available data, provided by HUD, indicates that the greatest percentage of home foreclosures are in the City’s predominately low/moderate income census tracts and areas contiguous to them. Please see Table 1.

B) Highest percentage of homes financed by a subprime mortgage related loan

Available data, provided by HUD, also indicates that the greatest percentage of homes financed with subprime related loans are also in the City’s predominantly low/moderate census tracts and the areas contiguous to them. Please see Table 3.

C) Area likely to face a significant rise in the rate of home foreclosures.

The data provided by HUD indicates that these areas will continue to face a significant rise in the rate of home foreclosure.

Foreclosure data for 2008 year-to-date indicates that Miramar remains ranked high for completed foreclosures in the South Florida area. Table 4 indicates the City's foreclosures ranking among other South Florida cities.

Table 4: Foreclosures Year – to – Date

Cities	Foreclosure Year to Date 2008	YTD Foreclosure Rate	Foreclosures in 2007
Fort Lauderdale	552	0.24%	316
Miramar	545	0.42%	322
Hollywood	518	0.30%	279
Uninc. Palm Beach (East)	502	0.20%	233
Coral Springs	473	0.37%	262
Pembroke Pines	437	0.27%	234
Pompano Beach	374	0.28%	196
Deerfield Beach	360	0.30%	122
Sunrise	320	0.30%	181

Source: Florida Blockshopper.com/Sun-Sentinel 10-24-08

The City of Miramar will prioritize assistance to the areas that are predominately low/moderate income including contiguous areas east of Palm Avenue and west of State Road 7 and in between the northern and southern boundaries of the City.

Eligible NSP activities will be directed towards stabilizing these target neighborhoods which are most vulnerable to further decline. This is also the geographic area of the City where affordable housing units for those at 120% of the Area Median Income (AMI) or less are most feasible and sustainable. However, properties throughout the City that do not exceed the target purchase price will also be eligible NSP properties.

NSP requires the following income categories to be assisted: Low Income (50% AMI or less), Moderate Income (51% -80% AMI) and Middle Income (81% - 120% AMI). NSP requires that assistance be directed to households that are at 120% AMI or less. In addition, 25% of NSP funds must be directed to households that are at 50% AMI (low income) or less where affordable housing is most difficult to obtain. Table 5 indicates the maximum income limits for each income category to be served. The City's NSP activities will comply with these requirements.

Table 5: Area Median Income (AMI) Adjusted For Household Size)

Household Size	0-30% AMI Very Low Income	31-50% AMI Low Income	51-80% AMI Moderate Income	81-120% Middle Income
1	\$16,050	\$26,800	\$42,850	\$64,250
2	\$18,350	\$30,600	\$48,950	\$73,450
3	\$20,650	\$34,450	\$55,100	\$82,600
4	\$22,950	\$38,250	\$61,200	\$91,800
5	\$24,800	\$41,300	\$66,100	\$99,150
6	\$26,600	\$44,350	\$71,000	\$106,500
7	\$28,450	\$47,450	\$75,900	\$113,850
8	\$30,300	\$50,500	\$80,800	\$121,200

*Effective 03/19/2009 and are subject to change.

The City acknowledges that there are foreclosed homes west of Palm Avenue. NSP requires that funds be prioritized to the areas of greatest need and that will benefit low, moderate and middle income households the most. This is why funds are prioritized to target low/moderate income neighborhoods first and then properties on citywide basis that do not exceed the target price, second.

C. DEFINITIONS AND DESCRIPTIONS

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

Response:

The City of Miramar’s Municipal Code addresses blighted structures through references to property maintenance in “Chapter 10, Health Sanitation and Nuisances”. The finding and declaration of the City’s property maintenance policy addresses when a structure may lead to blighting conditions.

Chapter 10 Health, Sanitation and Nuisances

Article VII - Property Maintenance. (Ord. No. 91-33)

ARTICLE VII. PROPERTY MAINTENANCE

Sec. 10-118. Findings and declaration of policy.

It is hereby found and declared that there exist in the city structures used for residential and nonresidential use which are, or may become in the future, substandard with respect to structure, equipment or maintenance, or further, that such conditions, including but not limited to structural deterioration, lack of maintenance and appearance of exterior premises, infestation, lack of essential utilities and facilities, existence of fire hazards, inadequate provisions for light and air, unsanitary conditions and overcrowding, constitute a menace to the health, safety, welfare and reasonable comfort of the citizens and inhabitants of the city. It is further found and declared that, by reason of lack of maintenance and because of progressive deterioration, certain

properties have the further effect of creating blighting conditions and initiating slums, and that if the same are not curtailed and moved, these conditions will grow and spread and will necessitate in time the expenditure of large amounts of public funds to correct and eliminate the same, and that by reason of timely regulations and restrictions as herein contained, the growth of slums and blight may be prevented and the neighborhood and property values thereby maintained, the desirability and amenities of residential and nonresidential uses and neighborhoods enhanced, and the public health, safety and welfare protected and fostered.

(Ord. No. 91-33, § 3, 6-5-91)

For the purposes of the NSP, a blighted structure echoes the criteria for slum and blight found in Florida Statutes Chapter 163.340, which outlines the following conditions:

1. Building deterioration
2. Site deterioration or site deficiencies
3. Unsanitary and unsafe conditions and incompatible uses
4. Six or more ownership parcels per block
5. Buildings greater than 40 years of age
6. Presence of closed/vacant buildings
7. Presence of vacant lots
8. Buildings in violation of property maintenance code violations
9. Presence of buildings scheduled for demolition

A blighted structure will meet one or more of the aforementioned criteria.

Definition of “affordable rents.”

Note: Grantees may use the definition they have adopted for their CDBG program but should review their existing definition to ensure compliance with NSP program –specific requirements such as continued affordability.

Response:

The City will comply with and adopt the definition of “affordable” in accordance with F.S. 420.9071 - the State Housing Initiatives Program (SHIP). This is the same definition it utilizes under the CDBG program.

(2) “Affordable” means that monthly rents or monthly mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in subsection (19), subsection (20), or subsection (28). However, it is not the intent to limit an individual household’s ability to devote more than 30 percent of its income for housing, and housing for which a household devotes more than 30 percent of its income shall be deemed affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30 percent benchmark.

The Florida Housing Finance Corporation publishes an annual rent schedule for household incomes up to 120% AMI and adjusted for household size. The table sets forth maximum rents.

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

Affordability Periods

Response:

The City will maintain affordability of NSP assisted housing by adopting minimum HOME standards (where HOME standards are more restrictive than the City’s current standards). The following table displays the minimum standards to be utilized by the City.

Table 6: City of Miramar NSP Affordability Periods

Homeownership assistance amount per-unit	City of Miramar NSP Assisted Unit Affordability Period
Under \$15,000	15
\$15,000 to \$40,000	15
Over \$40,000	15

Recapture and Resale Provisions

The resale and/or recapture provisions will be utilized to enforce the affordability period adopted by the City.

Resale provisions require that in the event the principle homeowner decides to sell the NSP assisted unit that same property can only be sold to another low, moderate, middle income – (LMMI) household that will occupy the unit as a principle residence. The original NSP assisted owner will be ensured a fair return on their investment, but the home is required to be maintained at an affordable range for LMMI households. The affordability period is based on the amount the LMMI receives in funding.

Recapture provisions involves the City receiving 100% of the NSP funding on an assisted unit or a portion of it should that housing unit cease to be the primary residence of the household receiving the assistance for the duration of the period of affordability or the terms that are agreed to between the City and household.

The City may also elect to engage in equity sharing of net proceeds on NSP assisted units. The net proceed is equalivant to the sales price minus the closing costs. In so doing, the City may agree to allow the owner a return on his/her investment for any improvements made before the City takes its share of the funds.

Another option available to the City is to place NSP units in a Community Land Trust (CLT) to extend affordability into perpetuity. The CLT model removes land from the equation thus reducing the costs to acquire the property.

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

Response

The City of Miramar will use adopted rehabilitation standards to guide all work specifications written for NSP rehabilitated properties. The City's rehabilitation standards will to the extent feasible, incorporate "green" rehabilitation techniques to the areas addressed in the City's residential rehabilitation standards document. The areas addressed include:

- A. Exterior Surface
- B. Foundations and Structures
- C. Windows and Doors
- D. Roofing
- E. Insulation/Ventilation
- F. Interior Standards (Including Lead and Asbestos Compliance)
- G. Electrical
- H. Plumbing, HVAC and other major mechanical systems.

The City's residential rehabilitation standards comply with all applicable State and local building codes and Federal regulations that govern the CDBG/NSP program.

Program Income:

Any program income generated by the sale, rental, redevelopment, rehabilitation, or any other eligible use that is in excess of the cost to acquire and redevelop (including reasonable development fees) shall be used in accordance with the provisions of Section 2301 of the Housing and Economic Recovery Act of 2008.

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 City intends to allocate \$2,328,164.50 (25% of its NSP funds) to facilitate the purchase and rehabilitation of properties to house individuals and families whose incomes do not exceed 50 percent of the area median income.

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:

The City of Miramar does not intend to demolish/convert any dwelling units under the NSP program.

F. PUBLIC COMMENT

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

Note: proposed NSP Substantial Amendment must be published via the usual methods and posted on the jurisdiction's website for no less than 15 calendar days for public comment.

Proposed Third Amendment Response

The 15-day public comment period will commence August 4, 2010 and end August 18, 2010. A copy of the NSP application is located at the Office of the City Clerk located at Miramar City Hall, 2300 Civic Center Place and the Economic Development and Revitalization Department located at 2200 Civic Center Place, Miramar, Florida. In addition, the NSP substantial amendment has been posted to the City's website at www.ci.miramar.fl.us. Citizens are encouraged to comment upon the proposed substantial amendments to the above referenced NSP activities identified in the 2008 Action Plan.

Prior to adoption, the City of Miramar Commission will hold a public hearing on the proposed amendments to the FY 2008 Action Plan. The public hearing will take place on **August 18, 2010** at 7:00 p.m. in the Commission Chambers at City Hall, located at 2300 Civic Center Place, Miramar, Florida 33025. Interested parties are encouraged to attend and participate.

For additional information on this hearing, please contact the City of Miramar, Economic Development and Revitalization Department at (954) 602-3274. In accordance with the Americans with Disabilities Act and Florida Statutes Section 286.26, persons with disabilities needing special accommodation to participate in this hearing should contact the Office of City Clerk at least 48-hours prior to the hearing at (954) 602-3011 for assistance.

Proposed Second Amendment Response:

No Comments Received

The 15-day public comment period will commence February 17, 2010 and end March 3, 2010. A copy of the NSP application is located at the Office of the City Clerk located at Miramar City Hall, 2300 Civic Center Place and the Economic Development and Revitalization Department located at 2200 Civic Center Place, Miramar, Florida. In addition, the NSP substantial amendment has been posted to the City's website at www.ci.miramar.fl.us. Citizens are encouraged to comment upon the proposed substantial amendments to the above referenced NSP activities identified in the 2008 Action Plan.

Prior to adoption, the City of Miramar Commission will hold a public hearing on the proposed amendments to the FY 2008 Action Plan. The public hearing will take place on March 3, 2010 at 7:00 p.m. in the Commission Chambers at City Hall, located at 2300 Civic Center Place, Miramar, Florida 33025. Interested parties are encouraged to attend and participate.

For additional information on this hearing, please contact the City of Miramar, Economic Development and Revitalization Department at (954) 602-3274. In accordance with the Americans with Disabilities Act and Florida Statutes Section 286.26, persons with disabilities needing special accommodation to participate in this hearing should contact the Office of City Clerk at least 48-hours prior to the hearing at (954) 602-3011 for assistance.

First Amendment Response:

As part of the amendment process, the City advertised and amendment to its NSP substantial activities on January 10, 2010 in a newspaper of general circulation. (The Miami Herald).

The 15-day public comment period will commence January 11, 2010 and end January 25, 2010. A copy of the NSP application is located at the Office of the City Clerk located at Miramar City Hall, 2300 Civic Center Place and the Economic Development and Revitalization Department located at 2200 Civic Center Place, Miramar, Florida. In addition, the NSP substantial amendment has been posted to the City's website at www.ci.miramar.fl.us. Citizens are encouraged to comment upon the proposed substantial amendments to the above referenced NSP activities identified in the 2008-09 Action Plan.

Prior to adoption, the City of Miramar Commission will hold a public hearing on the proposed amendments to the FY 2008 Action Plan. The public hearing will take place on February 3, 2010 at 7:00 p.m. in the Commission Chambers at City Hall, located at 2300 Civic Center Place, Miramar, Florida 33025. Interested parties are encouraged to attend and participate.

For additional information on this hearing, please contact the City of Miramar, Economic Development and Revitalization Department at (954) 602-3274. In accordance with the Americans with Disabilities Act and Florida Statutes Section 286.26, persons with disabilities needing special accommodation to participate in this hearing should contact the Office of City Clerk at least 48-hours prior to the hearing at (954) 602-3011 for assistance.

No Comments Received

Original Response:

The City advertised its proposed NSP Substantial Amendment on November 2, 2008 in a newspaper of general circulation. The public comment period begins November 3, 2008 and ends November 17, 2008. The Plan was also posted on the City's website November 2, 2008.

The City will hold a public hearing on November 19, 2008 prior to the adoption of the NSP substantial amendment.

No public comments were made or recorded during the public comment period.

II. NSP Specific Activity Information

#1. Activity Name: Financing Mechanisms/Purchase Assistance

Activity Type:

NSP-Eligible Uses (Financing Mechanisms) – Direct Homeownership Assistance

- Soft Second Mortgages - Zero percent (0%) interest deferred second mortgage that does not require payment by the NSP recipient as long as terms of agreement between the City and owner are maintained for duration of the affordability period.
- First Mortgages – 0 to 4% interest determined by the City if strategy is utilized.
- Mortgage Buy Downs – Purchase assistance beyond down payment and closing cost assistance that reduces the first mortgage lender's loan amount and reduces the monthly housing expense for the NSP recipient.
- Interest Rate Buy Downs – Another method of increasing affordability of housing, by paying a fee upfront with NSP funds to the first mortgage lender to reduce the interest rate.

CDBG Eligible Activity

24 CFR 570.201 (n): **Direct Homeownership Assistance** (as modified for NSP).

(n) Homeownership assistance. CDBG funds may be used to provide direct homeownership assistance to low- or moderate-income households in accordance with section 105(a) of the Act. (As modified)

National Objective: Low Moderate Middle Income Housing – LMMH

24 CFR 570.208(a)(3) Housing Activities. An eligible activity carried out for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by low- and moderate-income households.

Activity Description and Specific Requirements:

This activity sets aside funds for households at 51 – 120% of the area median income (AMI). The activity is designed to address the abundance of vacant foreclosed properties in the City by facilitating the purchase of them by qualified moderate and middle income buyers. It will also address the need of high cost and subprime loans in priority neighborhoods. Only conventional, FHA and other approved loan products with

responsible lending guidelines are permitted. Funds for households at 50% AMI have been set-aside under a separate activity.

The City of Miramar will make available financing mechanisms with favorable terms to eligible homebuyers with various options to be applied towards the costs of purchasing an NSP eligible property. (Properties that have been foreclosed on, vacant, and located in the target geographical area and/or target price range).

Terms of Financial Assistance

Financial assistance will be for up to 50% of the lender's required down payment (soft seconds second mortgages do not apply to this cap), closing costs, and mortgage and interest rate buy downs. Applicants will be required to pay a minimum of 1% or more depending on the first mortgage lender's down payment requirement.

NSP assistance will be in the form of a fifteen year, 0% interest, deferred payment loan secured by a second mortgage and promissory note. The loan is forgivable in its entirety at the end of the affordability period which begins from the date of settlement provided the title remains under the ownership of the original purchaser.

There will be no yearly write-down of the loan. Full repayment of the loan is due if the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the owner during the affordability period.

Where the City provides first mortgage financing, the City will make available NSP assistance in the form of a loan ranging from 0 to 4% interest with a term not to exceed 30 years.

Applicants must work with lenders who have agreed to comply with established underwriting criteria that outlines responsible lending guidelines and sets limitations on fees. Lending programs are prime, FHA or portfolio loans used to meet the lenders Community Reinvestment Act goals. Applicants are responsible for the upfront fee associated with the credit report or loan application fee required by lenders in the form of a money order or cashier's check.

To enforce long-term affordability standards, the City will employ recapture and/or resale provisions.

Tenure of Beneficiaries

Beneficiaries will become owners of the property.

Eligible Properties

Single-family detached homes, condos, town homes and villas that are foreclosed upon and vacant are eligible to be purchased with NSP assistance. Short sale purchases will not be permitted under NSP funded purchase activities.

As required by NSP, the City of Miramar will require that all foreclosed properties to be assisted with NSP funding be purchased at a discount according to Federal guidelines.

Eligible Applicants

Eligible applicants will be homebuyers selected in the order in which they applied to the program and will be assisted on a first-qualified, first-served basis.

An eligible homebuyer is defined as one who meets the income eligible guidelines and indicates this as their primary place of residence. Residents displaced from mobile home parks seeking to purchase a non mobile home unit also will be considered eligible homebuyers. Applicants must not own any other property used for residential purposes, and the home to be purchased must be located within the City limits.

Pre and Post Homeownership Counseling

Certificate of 8 hour homeownership counseling completion is required prior to loan closing. Post counseling may be required to remain in compliance with the program. These are conditions to remain in compliance with the NSP financial assistance. All counseling must occur with HUD approved counseling agencies.

Performance Measures:

Approximately 45 ~~30~~ Loans to Purchase Foreclosed/NSP Eligible Properties

Budget:

NSP Budget Funds Set Aside for Households (51-120% AMI)
\$1,250,000 \$1,000,000.00 assist approximately 45 30 Buyers
Up to \$30,000 in Purchase Assistance of NSP Eligible Properties for households 81-120% AMI Up to \$40,000 in Purchase Assistance of NSP Eligible Properties for households 51-80% AMI
NSP Assistance Provides up to 50% of Lenders Required Down Payment (Second mortgages do not apply to this cap) & Remaining Goes to Principal or Interest Buy Down – Based on Actual Need. Other buyer costs associated with transaction may be eligible.

Responsible Organization:

City of Miramar, 2300 Civic Center Place, Miramar, FL, 33025

Projected Start Date: January 1, 2009

Projected End Date: September 3, 2010 (18 Month Commitment Date of All Funds)

Location Description: Citywide.

- 1) Priority Target Area – East of Palm Avenue
- 2) Other units on a Citywide basis that meet purchase price criteria.

2. Activity Name: Purchase and/or Rehabilitation

Activity Type:

NSP-Eligible Uses: Purchase and/or Rehabilitation & Financing Mechanisms

Deferred Loans for rehabilitation of property purchased with NSP funds

- Purchase
- Mixed Use Properties (Residential Component)
- Rehabilitation of single-family (1 to 4 units) residential homes

CDBG Eligible Activity

24 CFR 570.201 (n): **Direct Homeownership Assistance** (as modified for NSP).

(n) Homeownership assistance. CDBG funds may be used to provide direct homeownership assistance to low- or moderate-income households in accordance with section 105(a) of the Act. (As modified)

24 CFR 570.202: **Rehabilitation and Preservation Activities**

Eligible rehabilitation and preservation activities for homes and other residential properties. (HUD notes that rehabilitation may include counseling for those seeking to take part in the activity.

National Objective: Low Moderate Middle Income Housing (LMMH)

24 CFR 570.208(a)(3) Housing activities. An eligible activity carried out for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by low- and moderate-income households.

Activity Description and Specific Requirements:

The City is providing assistance to households, who received NSP funds to purchase an eligible home, to use additional NSP funds to make minor repairs and energy efficient improvements) to the home. The activity is made possible by the financial mechanisms in place as permitted by the above CDBG entitlement regulations and NSP eligible uses.

The primary purpose of the rehabilitation assistance is to provide repairs necessary to ensure safe

and decent housing, eliminate any instances of substandard housing. It is also intended to preserve the City's affordable housing stock which had previously been foreclosed on/vacant and purchased by eligible LMMI buyers through the City's NSP activities.

Rehabilitation assistance is being offered to NSP eligible properties to address repairs that:

- Eliminate code violations,
- Provide for home improvements that promote conservation/energy efficiency
- Eliminate signs of blight and assist with stabilizing the neighborhood.

Terms of Financial Assistance and Affordability Periods.

Assistance to make the repairs will be in the form of a zero interest deferred mortgage loan secured by a promissory note for 15 years.

The loan is forgivable in its entirety at the end of the affordability period. The period begins from the recordation date of mortgage and note. There will be no yearly write-down of the loan. Full repayment of the loan is due if the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the owner during affordability period.

To enforce long-term affordability standards, the City will employ recapture and/or resale provisions.

Tenure of Beneficiaries

Beneficiaries are owners of the NSP assisted property.

Eligible Properties

Single-family detached homes, townhomes, condos and villas that were purchased with NSP assistance.

Standards (Types of Repairs)

Repairs will be to the extent necessary to comply with applicable laws, codes, and other requirements relating to housing safety, quality, and habitability and will comply with the City's rehabilitation standards. Eligible repairs will include:

1. Eliminate building code violations.
2. Abate any health and safety issues in the home.
3. Repair, upgrade, or replace major building systems, as necessary. Major building systems include: Structural, Electrical, Plumbing, Heating, Ventilation, Air Conditioning and Sewer Systems.
4. To prevent weather penetration and promote energy efficiency including the use of Energy Star products in the home.
5. Provide non-luxury general improvements that improve conditions

- and structure of the home.
- 6. Provide barrier-free accessibility improvements.
- 7. Appliances that are permitted under the program will be replaced.
- 8. Exterior and Interior Painting.
- 9. Carpet and Flooring – The program will replace carpet with carpet, with evidence that carpet is in need of replacement. The only time carpet will be replaced with tile/linoleum flooring is in the case of households where the carpet is an impediment to the mobility of the occupant. The only time wood flooring will be installed is when wood already exists and deteriorated wood is being replaced.

HUD standards regarding strategically incorporating modern, green building and energy efficiency improvements in all NSP activities to provide for long-term affordability and increased sustainability and attractiveness of housing neighborhoods will be strongly encouraged.

Comprehensive Repairs and Improvements: Owner-occupied households, assisted in the order in which they applied for the program, will receive a comprehensive inspection and repairs will be comprehensive, addressing only the program priorities above.

Location Description: Citywide.

- 1) Priority Target Area – East of Palm Avenue
- 2) Other units on a Citywide basis that meet purchase price criteria.

Performance Measures:

Approximately 45-30 –Properties Receiving Repairs

Budget:

NSP Budget Funds Set Aside for Households (51-120% AMI)
\$2,375,000 \$4,500,000.00 To assist approximately <u>45 30</u> LMMI Households Who Have Acquired NSP Properties
Up to \$100,000 per unit (\$60,000 average per unit)
Rehabilitation Loans will pay for the labor, materials, inspections and related soft costs required to facilitate and complete required repairs.

Responsible Organization:

City of Miramar, 2300 Civic Center Place, Miramar, FL, 33025

Projected Start Date: January 1, 2009

Projected End Date: September 3, 2010 (18 month commitment date of funds)

3. Activity Name: Financing Mechanisms/Purchase Assistance (For Low Income Households – 50% AMI or Lower)

Activity Type:

NSP-Eligible Uses (Financing Mechanisms) – Direct Homeownership Assistance

- Soft Second Mortgages - Zero percent (0%) interest deferred second mortgage that does not require payment by the NSP recipient as long as terms of agreement between the City and owner are maintained for duration of the affordability period.
- First Mortgages – 0 to 4% interest determined by the City if strategy is utilized.
- Mortgage Buy Downs – Purchase assistance beyond down payment and closing cost assistance that reduces the first mortgage lender’s loan amount and reduces the monthly housing expense for the NSP recipient.
- Interest Rate Buy Downs – Another method of increasing affordability of housing, by paying a fee upfront with NSP funds to the first mortgage lender to reduce the interest rate.

CDBG Eligible Activity

24 CFR 570.201 (n): **Direct Homeownership Assistance** (as modified for NSP).

(n) Homeownership assistance. CDBG funds may be used to provide direct homeownership assistance to low- or moderate-income households in accordance with section 105(a) of the Act. (As modified)

National Objective: Low Moderate Middle Income Housing – LMMH

24 CFR 570.208(a)(3) Housing Activities. An eligible activity carried out for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by low- and moderate-income households.

Activity Description and Specific Requirements:

This activity sets aside funds for households at 0 to 50% of the area median income (AMI). The activity is designed to address the abundance of vacant foreclosed properties in the City by facilitating the purchase of them by qualified low income buyers. It will also address the high cost and sub prime loans in priority neighborhoods. Only conventional, FHA and other approved loan products with responsible lending guidelines are permitted under this activity.

The City of Miramar will make available financing mechanisms with favorable terms to eligible homebuyers with various options to be applied towards the costs of purchasing an

NSP eligible property. (Properties that have been foreclosed on and are vacant and located in the target geographical area and/or target price range).

Terms of Financial Assistance

Financial assistance will be for up to 50% of the lender's required down payment (soft seconds second mortgages do not apply to this cap), closing costs, and mortgage and interest rate buy downs. Applicants will be required to pay a minimum of 1% or more depending on the first mortgage lender's down payment requirement.

NSP assistance will be in the form of a fifteen year, 0% interest, deferred payment loan secured by a second mortgage and promissory note. The loan is forgivable in its entirety at the end of the affordability period which begins from the date of settlement provided the title remains under the ownership of the original purchaser.

There will be no yearly write-down of the loan. Full repayment of the loan is due if the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the owner during the affordability period.

Where the City provides first mortgage financing, the City will make available NSP assistance in the form of a loan ranging from 0 to 4% interest with a term not to exceed 30 years.

Applicants must work with lenders who have agreed to comply with established underwriting criteria that outlines responsible lending guidelines and sets limitations on fees. Lending programs are prime, FHA or portfolio loans used to meet the lenders Community Reinvestment Act goals. Applicants are responsible for the upfront fee associated with the credit report or loan application fee required by lenders in the form of a money order or cashier's check.

To enforce long-term affordability standards, the City will employ, recapture and/or resale provisions.

Tenure of Beneficiaries

Beneficiaries will become owners of the property.

Eligible Properties

Single-family detached homes, condos, town homes and villas that are foreclosed upon and vacant are eligible to be purchased with NSP assistance. Short sale purchases will not be permitted under NSP funded purchase activities.

As required by NSP, the City of Miramar will require that all foreclosed properties to be assisted with NSP funding be purchased at a discount according to Federal guidelines..

Eligible Applicants

Eligible applicants will be homebuyers selected in the order in which they applied to the program and will be assisted on a first-qualified, first-served basis.

An eligible homebuyer is defined as one who meets the income eligible guidelines and indicates this as their primary place of residence. Residents displaced from mobile home parks seeking to purchase a non mobile home unit also will be considered eligible homebuyers. Applicants must not own any other property used for residential purposes, and the home to be purchased must be located within the City limits.

Pre and Post Homeownership Counseling

Certificate of 8 hour homeownership counseling completion is required prior to loan closing. Post counseling may be required to remain in compliance with the program. These are conditions to remain in compliance with the NSP financial assistance. All counseling must occur with HUD approved counseling agencies.

Performance Measures:

Minimum of 8 Loans to Purchase Foreclosed/NSP Eligible Properties

Budget:

NSP Budget Funds Set Aside for Households – 50% AMI or Less
\$ 480,000 to assist 8 Households
Up to \$60,000 Per NSP Unit to be occupied by Households 50% AMI or Less
NSP Assistance Provides up to 50% of Lenders Required Down Payment & Remaining Goes to Principal or Interest Buy Down – Based on Actual Need

Performance Measures:

City of Miramar NSP Final Application to U.S. HUD
APPROVED NOV 19, 2008 –AMENDED FEB 3, 2010, AMENDED MARCH 17, 2010, 3RD
AMENDMENT PENDING AUGUST 18, 2010

Approximately 8 Loans to Purchase Foreclosed/NSP Eligible Properties

Location Description: Citywide.

- 1) Priority Target Area – East of Palm Avenue
- 2) Other units on a Citywide basis that meet purchase price criteria.

Projected Start Date: January 1, 2009

Projected End Date: September 3, 2010 (18 month commitment date of funds)

4. Activity Name: Purchase and/or Rehabilitation
(For Low Income Households – 50% AMI or Lower)

Activity Type:

NSP-Eligible Uses: Purchase and/or Rehabilitation & Financing Mechanisms

Deferred Loans for rehabilitation of property purchased with NSP funds

- Purchase
- Mixed Use Properties (Residential Component)
- Rehabilitation of single-family (1 to 4 units) residential homes

CDBG Eligible Activity

24 CFR 570.201 (n): **Direct Homeownership Assistance** (as modified for NSP).

(n) Homeownership assistance. CDBG funds may be used to provide direct homeownership assistance to low- or moderate-income households in accordance with section 105(a) of the Act. (As modified)

24 CFR 570.202: **Rehabilitation and Preservation Activities**

Eligible rehabilitation and preservation activities for homes and other residential properties. (HUD notes that rehabilitation may include counseling for those seeking to take part in the activity.

National Objective: Low Moderate Middle Income Housing (LMMH)

24 CFR 570.208(a)(3) Housing activities. An eligible activity carried out for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by low- and moderate-income households.

Activity Description and Specific Requirements:

The City is providing assistance to low income households, who received NSP funds to purchase an eligible home, the ability to use additional NSP funds to make minor repairs and energy efficient improvements) to the home. The activity is made possible by the financial mechanisms in place as permitted by the above CDBG entitlement regulations and NSP eligible uses. This activity is designed to meet NSP's low income targeting requirements and is part of the City's 25% set-aside to households with incomes at 50% or less the area median income.

The primary purpose of the rehabilitation assistance is to provide repairs necessary to ensure safe and decent housing, eliminate any instances of substandard housing. It is also intended to preserve the City's affordable housing stock which had previously been foreclosed on/vacant and purchased by eligible LMMI buyers through the City's NSP activities.

Rehabilitation assistance is being offered to NSP eligible properties to address repairs that:

- Eliminate code violations,
- Provide for home improvements that promote conservation/energy efficiency
- Eliminate signs of blight and assist with stabilizing the neighborhood.

Terms of Financial Assistance and Affordability Periods.

Assistance to make the repairs will be in the form of a zero interest deferred mortgage loan secured by a promissory note for 15 years.

The loan is forgivable in its entirety at the end of the affordability period. The period begins from the recordation date of mortgage and note. There will be no yearly write-down of the loan. Full repayment of the loan is due if the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the owner during affordability period.

To enforce long-term affordability standards, the City will employ recapture and/or resale provisions.

Tenure of Beneficiaries

Beneficiaries are owners of the NSP assisted property.

Eligible Properties

Single-family detached homes, townhomes, condos and villas that were purchased with NSP assistance.

Standards (Types of Repairs)

Repairs will be to the extent necessary to comply with applicable laws, codes, and other

requirements relating to housing safety, quality, and habitability and will comply with the City's rehabilitation standards. Eligible repairs will include:

1. Eliminate building code violations.
2. Abate any health and safety issues in the home.
3. Repair, upgrade, or replace major building systems, as necessary. Major building systems include: Structural, Electrical, Plumbing, Heating, Ventilation, Air Conditioning and Sewer Systems.
4. To prevent weather penetration and promote energy efficiency including the use of Energy Star products in the home.
5. Provide non-luxury general improvements that improve conditions and structure of the home.
6. Provide barrier-free accessibility improvements.
7. The only appliances that will be replaced under the program are non-functional or out-dated stoves or refrigerators. The program **will not** replace microwaves or washer/dryers.
8. Exterior and Interior Painting.
9. Carpet and Flooring – The program will replace carpet with carpet, with evidence that carpet is in need of replacement. The only time carpet will be replaced with tile/linoleum flooring is in the case of households where the carpet is an impediment to the mobility of the occupant. The only time wood flooring will be installed is when wood already exists and deteriorated wood is being replaced.

HUD standards regarding strategically incorporating modern, green building and energy efficiency improvements in all NSP activities to provide for long-term affordability and increased sustainability and attractiveness of housing neighborhoods will be strongly encouraged.

Comprehensive Repairs and Improvements: Owner-occupied households, assisted in the order in which they applied for the program, will receive a comprehensive inspection and repairs will be comprehensive, addressing only the program priorities above.

Location Description: Citywide.

- 1) Priority Target Area – East of Palm Avenue
- 2) Other units on a Citywide basis that meet purchase price criteria.

Performance Measures:

8 Properties Receiving Repairs
8 Number of Properties with Energy Efficient Improvements

Budget:

NSP Budget Funds Set Aside for Households (0 to 50% AMI)
\$500,000 to assist approximately 8 Households Who Have Acquired NSP Properties
Up to \$100,000 in Home Repair Assistance Per Household (Average assistance estimated at \$60,000) – Activity allows for additional units to be purchased under this activity with remaining funds.
Rehabilitation Loans will pay for the labor, materials, inspections and related soft costs required to facilitate and complete required repairs.

Responsible Organization:

City of Miramar, 2300 Civic Center Place, Miramar, FL, 33025

Projected Start Date: January 1, 2009

Projected End Date: September 3, 2010 (18 month commitment date of funds)

5. Activity Name: Acquisition and Rehabilitation 50% AMI to 120% AMI

NSP-Eligible Uses: Purchase and/or Rehabilitation & Financing Mechanisms

Acquisition and repair of eligible NSP eligible property

The City will acquire property directly or through a third party. Properties acquired using this strategy will have been foreclosed or abandoned. Properties that require extensive repair which prevents them from being purchased with financing, will be acquired, rehabilitated and then either resold or rented to eligible households participating in the NSP program.

Properties acquired under this strategy will be set-aside for low income household (50% AMI or less)

CDBG Eligible Activities

24 CFR 570.201

(a) Acquisition

Acquisition in whole or in part by the recipient, or other public or private nonprofit entity, by purchase, long-term lease, donation, or otherwise, of real property (including air rights, water rights, rights-of-way, easements, and other interests therein) for any public purpose, subject to the limitations of Sec. 570.207.

(b) Disposition,

Disposition, through sale, lease, donation, or otherwise, of any real property acquired with CDBG funds or its retention for public purposes, including reasonable costs of temporarily managing such property or property acquired under urban renewal, provided that the proceeds from any such disposition shall be program income subject to the requirements set forth in Sec. 570.504.

(i) Relocation (if applicable to any project)

Relocation payments and other assistance for permanently and temporarily relocated individuals families, businesses, nonprofit organizations, and farm operations where the assistance is (1) required under the provisions of Sec. 570.606 (b) or (c); or (2) determined by the grantee to be appropriate under the provisions of Sec. 570.606(d).

24 CFR 570.202: Rehabilitation and Preservation Activities

Eligible rehabilitation and preservation activities for homes and other residential properties. (HUD notes that rehabilitation may include counseling for those seeking to take part in the activity.

National Objective: Low Moderate Middle Income Housing (LMMH)

24 CFR 570.208(a)(3) Housing activities. An eligible activity carried out for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by low- and moderate-income households.

Activity Description and Specific Requirements:

The City will acquire NSP eligible properties (those that have been foreclosed on or abandoned), rehabilitate them, and then resell or rent them to NSP eligible buyers participating in the program. The City will focus its attention on those properties that are difficult to purchase due to extensive repairs, code violations, etc. The intent is to rehabilitate them, remove signs of blight, and then put them on the market. All properties will be purchased according to appropriate program guidelines, including the minimum discount requirement and after environmental reviews have been completed.

Rehabilitation assistance is being offered to NSP eligible properties to address repairs that:

- Eliminate code violations,
- Provide for home improvements that promote conservation/energy efficiency
- Eliminate signs of blight and assist with stabilizing the neighborhood.

Terms of Financial Assistance and Affordability Periods.

Homes will be resold/maintain an affordability period of 15 years. Cost of repairs will provided as a deferred loan to new owner-occupant if property when property is sold by the City. The affordability period begins from the recordation date of mortgage and note. There will be no yearly write-down of the loan. Full repayment of the loan is due if the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the owner during affordability period.

To enforce long-term affordability standards, the City will employ recapture and/or resale provisions.

Tenure of Beneficiaries

Owner Occupied and Renters (If Applicable)

Eligible Properties

Single-family detached homes, townhomes, condos and villas that were purchased with NSP assistance.

Standards (Types of Repairs)

Repairs will be to the extent necessary to comply with applicable laws, codes, and other requirements relating to housing safety, quality, and habitability and will comply with the City's rehabilitation standards. Eligible repairs will include:

1. Eliminate building code violations.
2. Abate any health and safety issues in the home.
3. Repair, upgrade, or replace major building systems, as necessary. Major building systems include: Structural, Electrical, Plumbing, Heating, Ventilation, Air Conditioning and Sewer Systems.
4. To prevent weather penetration and promote energy efficiency including the use of Energy Star products in the home.
5. Provide non-luxury general improvements that improve conditions and structure of the home.
6. Provide barrier-free accessibility improvements.
7. Appliances allowed under the program will be replaced.
8. Exterior and Interior Painting.
9. Carpet and Flooring – The program will replace carpet with carpet, with evidence that carpet is in need of replacement. The only time carpet will be replaced with tile/linoleum flooring is in the case of households where the carpet is an impediment to the mobility of the occupant. The only time wood flooring will be installed is when wood already exists and deteriorated wood is being replaced.

HUD standards regarding strategically incorporating modern, green building and energy efficiency improvements in all NSP activities to provide for long-term affordability and increased sustainability and attractiveness of housing neighborhoods will be strongly encouraged.

Location Description: Citywide.

- 1) Priority Target Area – East of Palm Avenue
- 2) Other units on a Citywide basis that meet purchase price criteria.

Performance Measures:

~~\$2,375,000~~ ~~–\$3,753,228~~ To acquire and rehabilitate approximately 20 properties.

Budget:

NSP Budget Funds Set Aside for Households (51-120% AMI)
\$2,628,228 -\$3,753,228 To acquire and rehabilitate approximately 20 properties.
Approximately \$200,000 to address acquisition and rehabilitation of each unit.
Funding will pay acquisition, labor, materials, inspections and related soft costs required to facilitate total transaction.

Responsible Organization:

City of Miramar, 2300 Civic Center Place, Miramar, FL, 33025

Projected Start Date: January 1, 2009

Projected End Date: September 3, 2010 (18 month commitment date of funds)

6. Activity Name: Acquisition and Rehabilitation (0 to 50% AMI) – Low Income Set-Aside

NSP-Eligible Uses: Purchase and/or Rehabilitation & Financing Mechanisms

Acquisition and repair of eligible NSP eligible property

The City will acquire property directly or through a third party. Properties acquired using this strategy will have been foreclosed or abandoned. Properties that require extensive repair which prevents them from being purchased with financing, will be acquired, rehabilitated and then either resold or rented to eligible households participating in the NSP program.

Properties acquired under this strategy will be set-aside for low income household (50% AMI or less)

CDBG Eligible Activities

24 CFR 570.201

(a) Acquisition

Acquisition in whole or in part by the recipient, or other public or private nonprofit entity, by purchase, long-term lease, donation, or otherwise, of real property (including air rights, water rights, rights-of-way, easements, and other interests therein) for any public purpose, subject to the limitations of Sec. 570.207.

(b) Disposition,

Disposition, through sale, lease, donation, or otherwise, of any real property acquired with CDBG funds or its retention for public purposes, including reasonable costs of temporarily managing such property or property acquired under urban renewal, provided that the proceeds from any such disposition shall be program income subject to the requirements set forth in Sec. 570.504.

(i) Relocation (if applicable to any project)

Relocation payments and other assistance for permanently and temporarily relocated individuals families, businesses, nonprofit organizations, and farm operations where the assistance is (1) required under the provisions of Sec. 570.606 (b) or (c); or (2) determined by the grantee to be appropriate under the provisions of Sec. 570.606(d).

24 CFR 570.202: Rehabilitation and Preservation Activities

Eligible rehabilitation and preservation activities for homes and other residential properties. (HUD notes that rehabilitation may include counseling for those seeking to take part in the activity.

National Objective: Low Moderate Middle Income Housing (LMMH)

24 CFR 570.208(a)(3) Housing activities. An eligible activity carried out for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by low- and moderate-income households.

Activity Description and Specific Requirements:

The City will acquire NSP eligible properties (those that have been foreclosed on or abandoned), rehabilitate them, and then resell or rent them to NSP eligible buyers participating in the program. The City will focus its attention on those properties that are difficult to purchase due to extensive repairs, code violations, etc. The intent is to rehabilitate them, remove signs of blight, and then put them on the market. All properties will be purchased according to appropriate program guidelines, including the minimum discount requirement and after environmental reviews have been completed.

Rehabilitation assistance is being offered to NSP eligible properties to address repairs that:

- Eliminate code violations,
- Provide for home improvements that promote conservation/energy efficiency
- Eliminate signs of blight and assist with stabilizing the neighborhood.

Terms of Financial Assistance and Affordability Periods.

Homes will be resold/maintain an affordability period of 15 years. Cost of repairs will be provided as a deferred loan to new owner-occupant if property when property is sold by the City. The affordability period begins from the recordation date of mortgage and note. There will be no yearly write-down of the loan. Full repayment of the loan is due if the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the owner during affordability period.

To enforce long-term affordability standards, the City will employ recapture and/or resale provisions.

Tenure of Beneficiaries

Owner Occupied and Renters (If Applicable)

Eligible Properties

Single-family detached homes, townhomes, condos and villas that were purchased with NSP assistance.

Standards (Types of Repairs)

Repairs will be to the extent necessary to comply with applicable laws, codes, and other requirements relating to housing safety, quality, and habitability and will comply with the City's rehabilitation standards. Eligible repairs will include:

1. Eliminate building code violations.
2. Abate any health and safety issues in the home.
3. Repair, upgrade, or replace major building systems, as necessary. Major building systems include: Structural, Electrical, Plumbing, Heating, Ventilation, Air Conditioning and Sewer Systems.
4. To prevent weather penetration and promote energy efficiency including the use of Energy Star products in the home.
5. Provide non-luxury general improvements that improve conditions and structure of the home.
6. Provide barrier-free accessibility improvements.
7. Appliances that are permitted under the program will be replaced.
8. Exterior and Interior Painting.
9. Carpet and Flooring – The program will replace carpet with carpet, with evidence that carpet is in need of replacement. The only time carpet will be replaced with tile/linoleum flooring is in the case of households where the carpet is an impediment to the mobility of the occupant. The only time wood flooring will be installed is when wood already exists and deteriorated wood is being replaced.

HUD standards regarding strategically incorporating modern, green building and energy efficiency improvements in all NSP activities to provide for long-term affordability and increased sustainability and attractiveness of housing neighborhoods will be strongly encouraged.

Location Description: Citywide.

- 1) Priority Target Area – East of Palm Avenue
- 2) Other units on a Citywide basis that meet purchase price criteria.

Performance Measures:

\$1,348,164 to acquire and rehabilitate approximately 7 properties.

Budget:

NSP Budget Funds Set Aside for Households (0% AMI- to 50% AMI)
\$1,348,164 To acquire and rehabilitate approximately 7 properties.
Approximately \$200,000 to address acquisition and rehabilitation of each unit.
Funding will pay acquisition, labor, materials, inspections and related soft costs required to facilitate total transaction.

Responsible Organization:

City of Miramar, 2300 Civic Center Place, Miramar, FL, 33025

Projected Start Date: January 1, 2009

Projected End Date: September 3, 2010 (18 month commitment date of funds)

#5 7 Activity Name: NSP Planning and Administration

Activity Type: NSP Administration

National Objective: N/A

Projected Start Date: September 29, 2008

Projected End Date: September 3, 2010

Responsible Organization:

City of Miramar, 2300 Civic Center Place, Miramar, FL, 33025

Location Description: N/A

Activity Description:

NSP regulation provides a maximum of 10% of an NSP allocation to be utilized for planning and administrative costs.

Budget:

NSP Budget Funds Set Aside for Administration
\$731,266
- \$512,000 Contractual Planning, Admin and Implementation
\$219,265 City Planning and Administrative

Funds have been reprogrammed into acquisition/rehabilitation activities described above.

Performance Measures: N/A

III. 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.
- (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 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 income does not exceed 120 percent of area median income.
- (11) **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.

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

Signature/Authorized Official

Date

Title