

1. NSP3 Grantee Information

| NSP3 Program Administrator Contact Information | |
|---|--|
| Name (Last, First) | Swift-Pollard, Tricia |
| Email Address | TriciaP@cityofpsl.com |
| Phone Number | 772-871-5284 |
| Fax Number | 772-344-4340 |
| Mailing Address | City of Port St. Lucie, 121 SW Port St. Lucie Blvd, Port St. Lucie, FL 34984 Web Address: www.cityofpsl.com |

2. Areas of Greatest Need

Map Submission

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

See Attachment A

Data Sources Used to Determine Areas of Greatest Need

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

Response:

In order to meet the requirements of Section 2301©(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 related loan, and likely to face a significant rise in the rate of home foreclosure we reviewed data provided by HUD, Realtytrac and the St. Lucie County Clerk of the Court as well as NSP 1 data on foreclosure purchase offers and sales.

HUD provided detailed default, foreclosure and marketing data for area census tracts, block groups and even user defined neighborhoods within or between those areas with its NSP3 mapping tool. The City was able to use this information to compare neighborhoods to see if any of them exhibited higher needs than others. We were also able to look at foreclosure statistics through Realtytrac and data from the Clerk of the Court and use that data to forecast areas where there might be a sufficient amount of foreclosures available in order to make an impact with the amount of funding allocated to us for NSP-3.

Since the foreclosure crisis in Port St. Lucie extends all over the City, we also had to look at the number of homes that were available for purchase in price ranges that would allow for future ownership by low/mod/middle households in the areas we were considering. For this information we looked to our own NSP-1 program for numbers of homes acquired in each of the census tracts and block groups listed as the "areas of greatest need."

See Attachment B

Determination of Areas of Greatest Need and Applicable Tiers

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

Response:

As indicated above, Port St. Lucie’s areas of greatest need were established after consideration was given to recent data descriptions of neighborhoods and amount of funding already distributed in targeted areas through NSP 1 funding and review of Realtytrac data, local realtor data and Clerk of the Court information developed during implementation of NSP1. Market conditions as a whole have changed somewhat since data was prepared for NSP1. Single family home market values continue to decline although at a slower pace. We anticipate a 10% decline in home values for last year and a 5% decline in the coming year as values begin to stabilize. Data descriptions considered included Neighborhood NSP3 Score (must be 20 for our purposes) total housing units in the neighborhood, the impact number, economic stability of the block groups being considered, the home values and rate of home value depreciation. With a score of 20 these block groups had the highest rates of foreclosures, delinquencies and subprime loans than other tracts in the City.. Another consideration from lessons learned in NSP 1 is resale. The census tract selected is 2005 Block Group 2. This area is in the core area of the City where there is a mix of housing units. This block group was heavily developed during the boom years and has a good mix of old and new homes of varying sizes on each street. It has some of the highest foreclosure numbers per capita in the city, yet is a good combination of old and new housing units. We should be able to easily purchase and resell to all income groups in this neighborhood.

HUD data provides a target number of homes that should be purchased by grantees in order to make an “impact” on the neighborhood. This number for census tract 2005 block group 2 is 53 homes. We anticipate being able to reach that target number by utilizing a mix of NSP3 funding and NSP 1 program income. We have also counted the number of homes already purchased in the area, as the census tract as a whole was designated as part of a larger target area under NSP 1. We anticipate being able to purchase an additional 39 homes with the combined funds from the two NSP programs; we have already purchased 14 homes in CT 2005-2 previously. The total amount will provide us with 53 homes anticipated to be purchased in the target area. Therefore, we should be able to realistically meet our impact goal. The area includes lower and moderate value homes which will give the program the ability to provide all homeownership and rental options envisioned.

It is not our intent to establish a tiered approach to determine the distribution of funding to prospective homeowners as we are only contemplating working with one block group.

3. Definitions and Descriptions

Definitions

| Term | Definition |
|--------------------|--|
| Blighted Structure | Blighted Structure. For the purpose of the NSP the City will consider a blighted structure to be a structure that exhibits objectively determinable signs of deterioration sufficient to constitute a threat to the human health, safety, or welfare of the public. Port St. Lucie will generally consider a structure as blighted if one of the following criteria is met: |

| | <ul style="list-style-type: none"> ◆ The structure is open, cannot be secured against entry, and is unsafe or unfit for human occupancy; the unsafe structure is secured against public entry, but it presents a threat to a neighboring property or public right of way (such as a sidewalk) because of a potential collapse or other threat; ◆ The structure is determined to harbor nuisances and threats to human health, safety or welfare which may negatively impact a neighboring property; or ◆ The structure presents a visual blight due to collapse or other un-repaired damage, or ◆ It is determined that repairs will cost more than economically feasible, which, in general would be more than 50% - 75% of the appraised value, although mitigating factors may be considered; or ◆ The structure is lying in a state of incomplete construction, resulting in a negative view of the surrounding properties; or other similar conditions. | | | | | | | | | | |
|---|--|------------|---------|---------|------|------|-------|-------|-------|---------|---------|
| Affordable Rents and Rental Housing Preferences | <p>Affordable Rents: Compliance with Rental Housing Preferences: preference for support of rental strategies will be given to proposals (after an RFP process) that benefit low income (50% of the median and below) until the minimum 25% set aside has been met. Port St. Lucie plans to prepare an RFP in order to be able to allocate NSP funds to and/or transfer purchased and rehabbed properties to developer nonprofits to provide rental housing. We plan to concentrate our efforts on low income clients, at 50% of median or below. Port St. Lucie considers rents for these households to be affordable when household rent payments do not exceed HUD-defined Fair Market Rent Limits and rent payments added to a household utility allowance do not exceed 30% of the family's adjusted income. The table below provides HUD-defined rent limits for Port St. Lucie for 2010-2011.</p> <p>At no point will rental strategies target income groups exceeding 80% of the median income. The City's homeownership rate is much higher than the national average at 79.9% (national average is 65.9%) and any rental strategy provided by an organization that addresses the income groups described above would be appropriate.</p> <p style="text-align: center;">Maximum Rent Limits</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Efficiency</th> <th>1 BR</th> <th>2 BR</th> <th>3 BR</th> <th>4 BR</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$754</td> <td style="text-align: center;">\$756</td> <td style="text-align: center;">\$958</td> <td style="text-align: center;">\$1,266</td> <td style="text-align: center;">\$1,305</td> </tr> </tbody> </table> | Efficiency | 1 BR | 2 BR | 3 BR | 4 BR | \$754 | \$756 | \$958 | \$1,266 | \$1,305 |
| Efficiency | 1 BR | 2 BR | 3 BR | 4 BR | | | | | | | |
| \$754 | \$756 | \$958 | \$1,266 | \$1,305 | | | | | | | |

Descriptions

| Term | Definition |
|-------------------------|--|
| Long-Term Affordability | The NSP requires that the City provide for the continued affordability of homes purchased, rehabbed and resold under the program "to the maximum extent practicable and for the longest term feasible." The City proposes to provide a |

financing subsidy on a sliding scale in accordance with income to assist eligible clients purchase foreclosed properties. We will promote continued affordability for NSP- assisted properties by requiring, in the terms of our deferred interest-free mortgage, that the home be held by the income eligible household, or the developer (in the case of rental units occupied by income eligible households) for 25 years; otherwise a prorated amount of the funding is due back to the program for reuse in NSP eligible activities. These requirements will be detailed in the deferred mortgage for direct loans to borrowers or in a deed restriction for developers. Also, recapturing the funds, in whole or in part, if the home is sold prior to the end of the affordability period will prevent the household from selling the home and realizing an early profit. NSP funds will be loaned as follows:

Affordability Period and Loan Repayment

| Client income | Subsidy | Affordability Period | Repayment Schedule for Loan |
|--|---|-----------------------------|---|
| (50% of median) Low income and below | Up to \$40,000 (only the amount of subsidy needed to make the purchase affordable will be utilized) | 25 years | The deferred payment loan mortgage term will be 25 years at 0% interest with loan forgiven at the rate of 4% per year for 25 years. Prorated repayment is due if sold prior to the end of the affordability period. |
| (80% of median income) Moderate Income | Up to \$30,000 (only the amount of subsidy needed to make the purchase affordable will be utilized) | 25 years | The deferred payment loan mortgage term will be 25 years at 0% interest with loan forgiven at the rate of 4% per year for 25 years. Prorated repayment is due if sold prior to the end of the affordability period. |
| (120% of median income) Middle Income | Up to \$20,000 (only the amount of subsidy needed to make the purchase affordable will be | 25 years | The deferred payment loan mortgage term will be 25 years at 0% interest with loan forgiven at the rate of 4% per year for |

| | | | | |
|----------------------------------|---|--|--|---|
| | | | | 25 years. Prorated repayment is due if sold prior to the end of the affordability period. |
| | <p>Each year that the assisted property is owned and occupied by eligible households or by the loan recipient, a proportional amount of NSP funding, as shown above, will be forgiven. Should a recipient sell the property prior to the end of the loan period, the outstanding principal balance of NSP dollars will be recaptured by the City of Port St. Lucie and reused in the NSP program.</p> | | | |
| Housing Rehabilitation Standards | <p>Homes rehabilitated with NSP funds will meet the <i>State of Florida and local building codes</i>. The rehab standards will comply with all applicable laws and codes for housing safety, quality and habitability. Energy or conservation improvements and modern green building improvements will be included. Rehabilitation proposals, to the extent applicable, will include replacement of older obsolete products and appliances with Energy Star-46 labeled products. Water efficient toilets, showers, and faucets will be installed where these items are replaced. All housing will be upgraded for hurricane mitigation to the extent practical. All new construction of residential buildings (designed for redevelopment activities) will be designed to meet the standard for Energy Star Qualified New Homes. No high-rise rehab or reconstruction is contemplated. The Community Services Department has adopted and revised the St. Lucie County HOME rehab standards to ensure that appropriate written rehabilitation standards are adopted. A copy of those standards may be requested from the Department of Community Services, City of Port St. Lucie.</p> | | | |
| Vicinity Hiring | <p>The City of Port St. Lucie will to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects. A list will be prepared of all small businesses with occupational licenses in the NSP3 project area. That list will be made available to every contractor bidding on repair/rehab of NSP properties and they will be encouraged to hire those businesses as needed. All contractors will be encouraged to provide listings of job availability at the job site and to provide door hangers of job availability for the neighborhood residents to better target local residents in hiring.</p> | | | |

4. Low-Income Targeting

Low-Income Set-Aside Amount

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

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

50 percent of area median income.

Response:

Total low-income set-aside **percentage** (must be no less than 25 percent): 25.00%

Total funds set aside for low-income individuals = \$878,878.00

Meeting Low-Income Target**Provide a summary that describes the manner in which the low-income targeting goals will be met.**

We plan to utilize several strategies to ensure that we are able to comply with the 25% set aside for funding for low income housing as follows:

1. First we will target acquisition of homes in the appropriate price range for each income level, providing higher amounts of purchase assistance/principal buy down funding to the lowest income category. This will better enable them to reach the debt/income ratios and qualify for the first mortgage loan.
2. We will be going out for an RFP with both the NSP3 and NSP1 programs that will request proposals from developers for rental strategies to assist us in reaching low income households. Meetings have already been held with organizations that house working poor, Safespace and Habitat to discuss ways to help these groups of rental candidates.
3. Also, we will be requesting proposals from nonprofits regarding low income homeownership strategies.
4. Finally, we will be tracking this funding by income group in our existing NSP spreadsheets in order to quantify our percentages on a daily basis and to keep track of the funds utilized in each strategy and for each income group. We will open funding cycles for low income only when it becomes necessary to attract more clients for this strategy.

5. Acquisition and Relocation**Demolition or Conversion of LMI Units**

| | |
|---|-----|
| Does the grantee intend to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income)? | Yes |
|---|-----|

If yes, fill in the table below.

| Question | Number of Units |
|--|-----------------|
| The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities. | 4 |
| 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). | 6 |
| The number of dwelling units reasonably expected to be made available for | |

| | |
|---|---|
| households whose income does not exceed 50 percent of area median income. | 4 |
|---|---|

6. Public Comment

Citizen Participation Plan

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

Response:

An advertisement was placed in the local newspapers, including the Spanish-speaking paper, the City TV Channel 20 and posted on the City website regarding the availability of the plan for public review and the date and time of the public hearing. The plan was posted on the City's website beginning January 20, and was available for review until submission on February 26, 2011.

Summary of Public Comments Received.

The summary of public comments received, if applicable, is included as an attachment.

See Attachment C

7. NSP Information by Activity

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

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

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

| Activity Number 1 | |
|--|--|
| Activity Name | Acquisition and Rehabilitation |
| Uses | Select all that apply: |
| | <input type="checkbox"/> Eligible Use A: Financing Mechanisms |
| | <input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation |
| | <input type="checkbox"/> Eligible Use C: Land Banking |
| | <input type="checkbox"/> Eligible Use D: Demolition |
| <input type="checkbox"/> Eligible Use E: Redevelopment | |
| CDBG Activity or Activities | 24 CFR 570.201 (a) Acquisition, (b) Disposition; 24 CFR 570.202 Eligible Rehabilitation for homes and other residential properties. |
| National Objective | Low, moderate, middle income housing benefit. |

| | |
|------------------------------------|--|
| <p>Activity Description</p> | <p>Purchase/Rehab: The City plans to purchase and rehabilitate foreclosed homes and provide them for resale to eligible clients utilizing a grantee-driven homeownership program. We will reserve a small amount of funding for a pilot buyer-driven homeownership program where eligible buyers can purchase (from the lender) a foreclosed home that does not need substantial repair. Deferred interest-free mortgages will be provided to assist in making the homes affordable. We will also provide funding for or transfer rehabbed properties to nonprofit developers through an RFP process soliciting both rental and homeownership strategies. A minimum of 53 units will be acquired and rehabilitated or demolished/reconstructed for income levels up to 120% of the median in targeted neighborhoods utilizing NSP 3 and NSP 1 funding and NSP 1 program income in the targeted NSP 3 area. At least 25% of initial NSP 3 funding will benefit 50% of the median or below. It is anticipated that 45 units will be resold for homeownership, 6 units are projected for demolition and 2 units are anticipated to be utilized as rentals. It is our intent to amend our NSP 1 plan to allow for rental units to be authorized under the NSP 1 program as well as NSP 3.</p> <p>Compliance with Rental Housing Preferences: preference for support of rental strategies will be given to proposals (after an RFP process) that benefit low income (50% of the median and below) until the minimum 25% set aside has been met. Port St. Lucie plans to prepare an RFP in order to be able to allocate NSP funds to and/or transfer purchased and rehabbed properties to developer nonprofits to provide rental housing. We plan to concentrate our rental efforts and strategies on low income clients, at 50% of median or below.</p> <p>The City of Port St. Lucie will to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects. A list will be prepared of all small businesses with occupational licenses in the NSP3 project area. A list of those small businesses will be made available to every contractor bidding on repair/rehab of NSP properties and they will be encouraged to hire those businesses as needed. All contractors will be encouraged to provide listings of job availability at the job site and to provide door hangers of job availability for the neighborhood residents to better target local residents in hiring</p> <p>Demolition: Also included here is \$71,639 in funding for demolition of housing that will be reconstructed through an RFP process for subrecipients/developers to build new homes on the original or similar footprint for low and moderate income clients. Of the six demolitions anticipated, we project 4 will be for low income clients and 2 will be for moderate income clients. Of the \$71,639, only \$31,639 will come from NSP 3 the remainder will be from NSP 1 funds or NSP 1 program income. We anticipate that all 6 of the units demolished will be low/moderate income dwelling units and we anticipate all units will be reconstructed for low/moderate income clients. We will also provide second mortgage assistance in the form of deferred loans outlined under long-term affordability above, to eligible clients for home purchase assistance.</p> |
|------------------------------------|--|

| | | |
|----------------------------------|--|--|
| Location Description | Census Tract 2005, Block Group 2 | |
| Budget | Source of Funding | Dollar Amount |
| | NSP3 | \$3,163,959 |
| | NSP1 (NSP 1 Program Income) | \$1,270,000 \$1,137,400 |
| Total Budget for Activity | \$5,349,720 | |
| Performance Measures | See Attachment D | |
| Projected Start Date | April 2011 | |
| Projected End Date | April 2014 (except for ongoing program income) | |
| Responsible Organization | Name | City of Port St. Lucie |
| | Location | 121 SW Port St. Lucie Blvd., Port St. Lucie FL, 34984 |
| | Administrator Contact Info | Tricia Swift-Pollard, TriciaP@cityofpsl.com , Phone 772-871-5284 |
| | | |

| Activity Number 2 | | |
|--|---|---|
| Activity Name | Planning and Administration | |
| Use | Select all that apply: | |
| | <input type="checkbox"/> Eligible Use A: Financing Mechanisms | |
| | <input type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation | |
| | <input type="checkbox"/> Eligible Use C: Land Banking | |
| | <input type="checkbox"/> Eligible Use D: Demolition | |
| <input type="checkbox"/> Eligible Use E: Redevelopment | | |
| CDBG Activity or Activities | Planning and Administration of NSP3 funding 24 CFR570.206 | |
| National Objective | Administration is exempt from meeting a national objective. | |
| Activity Description | Planning and Administration of NSP 3 program. | |
| Location Description | Census Tract 2005, Block Group 2 | |
| Budget | Source of Funding | Dollar Amount |
| | NSP3 | \$351,550 |
| | (Other funding source) | \$ |
| | (Other funding source) | \$ |
| Total Budget for Activity | \$351,550 | |
| Performance Measures | N/A | |
| Projected Start Date | April 2011 | |
| Projected End Date | April 2014 | |
| Responsible Organization | Name | City of Port St. Lucie |
| | Location | 121 SW Port St. Lucie Blvd., Port St. Lucie, FL 34984 |
| | Administrator Contact Info | Tricia Swift-Pollard, Phone 772-871-5284; Email: TriciaP@cityofpsl.com |

8. Certifications

Certifications for State and Entitlement Communities

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

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

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

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

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

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

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

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

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

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

(11) **The jurisdiction certifies:**

- a. that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and
- b. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

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

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

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

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

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

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

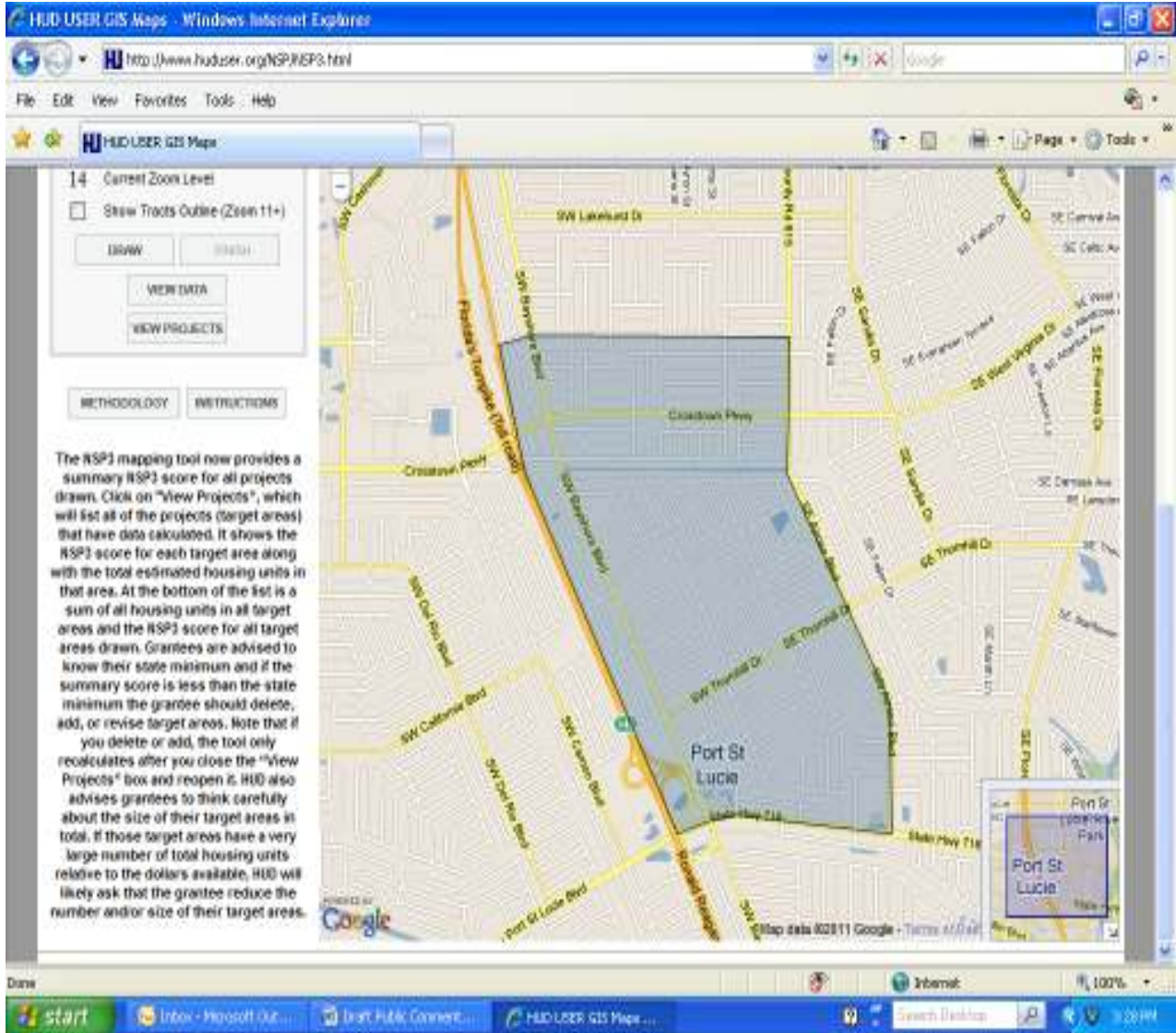
(17) **Development of affordable rental housing.** The jurisdiction certifies that it will abide by the procedures described in its NSP3 Abbreviated Plan to create preferences for the development of affordable rental housing for properties assisted with NSP3 funds.

Signature/Authorized Official

Date

ATTACHMENT A NSP-3 TARGETED AREA MAP

CENSUS TRACT 2005 BLOCK GROUP 2



Neighborhood ID: 3914672

Attachment B
NSP3 Planning Data

Grantee ID: 1225860E

Grantee State: FL

Grantee Name: PORT ST LUCIE

Grantee Address:

Grantee Email: PatS@cityofpsl.com

Neighborhood Name: CT 2005 - 2

Date:2010-12-16 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 20

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 2614

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 69.1

Percent Persons Less than 80% AMI: 41.3

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 2619

Residential Addresses Vacant 90 or more days (USPS, March 2010): 168

Residential Addresses NoStat (USPS, March 2010): 34

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 1888

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 34.8

Percent of Housing Units 90 or more days delinquent or in foreclosure: 22.9

Number of Foreclosure Starts in past year: 267

Number of Housing Units Real Estate Owned July 2009 to June 2010: 80

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 53

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -47.5

Place (if place over 20,000) or county unemployment rate June 2005^{*}: 3.5

Place (if place over 20,000) or county unemployment rate June 2010^{*}: 12.5

^{*}Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-80.371428 27.300935 -80.369024 27.301469 -80.349627 27.301393 -80.349798 27.293613 -80.342073
27.280645 -80.341988 27.273246 -80.353661 27.274314 -80.355549 27.274009 -80.358038 27.273246
-80.369539 27.293765

Blocks Comprising Target Neighborhood

121110020052000, 121110020052005, 121110020052007, 121110020052049, 121110020052048,
121110020052047, 121110020052046, 121110020052045, 121110020052044, 121110020052043,
121110020052042, 121110020052041, 121110020052066, 121110020052065, 121110020052064,
121110020052063, 121110020052062, 121110020052061, 121110020052060, 121110020052059,
121110020052058, 121110020052083, 121110020052082, 121110020052081, 121110020052080,
121110020052079, 121110020052078, 121110020052077, 121110020052076, 121110020052075,
121110020052174, 121110020052173, 121110020052172, 121110020052171, 121110020052170,
121110020052169, 121110020052168, 121110020052167, 121110020052166, 121110020052165,
121110020052164, 121110020052163, 121110020052162, 121110020052161, 121110020052160,
121110020052159, 121110020052158, 121110020052157, 121110020052156, 121110020052155,
121110020052154, 121110020052153, 121110020052152, 121110020052151, 121110020052150,
121110020052149, 121110020052148, 121110020052147, 121110020052146, 121110020052145,
121110020052144, 121110020052143, 121110020052142, 121110020052141, 121110020052140,
121110020052139, 121110020052138, 121110020052137, 121110020052136, 121110020052135,
121110020052134, 121110020052133, 121110020052132, 121110020052131, 121110020052130,
121110020052129, 121110020052128, 121110020052127, 121110020052126, 121110020052125,
121110020052124, 121110020052123, 121110020052122, 121110020052121, 121110020052120,
121110020052119, 121110020052118, 121110020052117, 121110020052116, 121110020052115,
121110020052114, 121110020052113, 121110020052112, 121110020052111, 121110020052110,
121110020052109, 121110020052108, 121110020052107, 121110020052106, 121110020052105,
121110020052104, 121110020052103, 121110020052102, 121110020052101, 121110020052100,
121110020052099, 121110020052098, 121110020052097, 121110020052096, 121110020052095,
121110020052094, 121110020052093, 121110020052092, 121110020052091, 121110020052090,
121110020052089, 121110020052088, 121110020052087, 121110020052086, 121110020052085,
121110020052084, 121110020052074, 121110020052073, 121110020052072, 121110020052071,
121110020052070, 121110020052069, 121110020052068, 121110020052067, 121110020052057,
121110020052056, 121110020052055, 121110020052054, 121110020052053, 121110020052052,
121110020052051, 121110020052050, 121110020052040, 121110020052039, 121110020052038,
121110020052037, 121110020052036, 121110020052035, 121110020052034, 121110020052016,
121110020052015, 121110020052014, 121110020052013, 121110020052012, 121110020052011,
121110020052010, 121110020052009, 121110020052008, 121110020052033, 121110020052032,
121110020052031, 121110020052030, 121110020052029, 121110020052028, 121110020052027,
121110020052026, 121110020052025, 121110020052024, 121110020052023, 121110020052022,
121110020052021, 121110020052020, 121110020052019, 121110020052018, 121110020052017,
121110020052006, 121110020052004, 121110020052001, 121110020052002, 121110020052003,

ATTACHMENT C
PUBLIC COMMENTS

Summary of Public Comments:

The NSP 3 application was discussed at a public meeting held during a regularly scheduled Council Meeting on February 14, 2011. Three members of the public spoke regarding the NSP3 program application. The first gentleman was very supportive and congratulated the City on its implementation of the NSP program so far. The second citizen complained that the Federal Government should not be in the housing business and that HUD had far too many restrictions and regulations. The third citizen also said that the federal and local governments should not be involved in housing and wanted to know if we had a track record to show that this NSP3 program would be successful and was it something we really wanted to do.

Council asked staff to answer the questions and concerns brought up by the citizens and staff and Council spoke to the concerns raised by the two citizens.

Summary of Public Comments:

The NSP 3 application was discussed at a public meeting held during a regularly scheduled Council Meeting on February 14, 2011. Three members of the public spoke regarding the NSP3 program application. The first gentleman was very supportive and congratulated the City on its implementation of the NSP program so far. The second citizen complained that the Federal Government should not be in the housing business and that HUD had far too many restrictions and regulations. The third citizen also said that the federal and local governments should not be involved in housing and wanted to know if we had a track record to show that this NSP3 program would be successful and was it something we really wanted to do.

Council asked staff to answer the questions and concerns brought up by the citizens and staff and Council spoke to the concerns raised by the two citizens.

| ATTACHMENT D PERFORMANCE MEASUREMENTS ACTIVITY 1 ELIGIBLE USE B: ACQUISITION/REHABILITATION/DISPOSTION | | | | | |
|---|---|--------------------------|----|----|--|
| Goals | Outputs/Measures | Low Mod Mdl Income | | | Outcomes |
| Improve property appearance in targeted neighborhood. | Purchase approximately 53 foreclosed properties. Maintain/repair/demolish/reconstruct/ resell or transfer to nonprofit for rental. | 13 | 21 | 19 | Visible improvement on streets within neighborhood. Increase in repairs and improvement in deferred maintenance of private properties near NSP homes. |
| Reduce vandalism in targeted neighborhood | Put blinds in windows once home is purchased (unless it will be demolished), provide regular inspections, mitigate for vandalism (wood blocks in sliders, bolt locks installed where needed) and provide outside maintenance until repaired and sold, or transferred to nonprofit for rental program or demolished/reconstructed. | 13 | 21 | 19 | Reduce vandalism of vacant NSP properties |
| Increase homeownership in targeted neighborhood | Provide 51 deferred loans for mortgage assistance for homebuyers including reconstructed properties. | 11 | 21 | 19 | Increase homeownership in neighborhood. |
| Remove blighting influence and vacant foreclosed properties | Purchase, demolish and reconstruct 6 blighted properties. Resell to low/moderate income clients through nonprofit subrecipients/developers. | 4 | 2 | | Slow housing value decline in targeted neighborhood, improve health and safety by removing blighting influence and reconstructing new single-family homes. |
| Increase rental opportunities for low income | Of the 53 properties to be purchased, provide two properties for rental through RFP to nonprofits. | 2 | | | Increase rental units for low income |

ATTACHMENT E
PERFORMANCE MEASUREMENT
ACTIVITY 2
ELIGIBLE USE D: DEMOLITION

| Goals | Outputs/Measures | Outcomes |
|---|---|--|
| Remove blighting influence and vacant foreclosed properties | Purchase and demolish 7 blighted properties | Improve neighborhood appearance. Increase sales and slow housing value decline in targeted neighborhood |

ATTACHMENT F
 PERFORMANCE MEASUREMENTS
 ACTIVITY 3
 ELIGIBLE USE E: REDEVELOPMENT

| GOALS | OUTPUTS/MEASURES | OUTCOMES |
|--|---|--|
| Attract new residents to target area. Stop housing value decline. | Redevelop 7 demolished properties with single family homes. | Stop housing value decline. Increase resale opportunities |
| | | |

Attachment G
Eligible Use Activities and Estimated Budget

| Eligible Use | Activity | Estimated Budget |
|-----------------------------------|---|-------------------------|
| B. Acquisition and Rehabilitation | 24 CFR 570.201 (a)Acquisition (b)Disposition 24CFR 570.202 Eligible rehabilitation for homes and other residential properties Note: Demolition and reconstruction are included above. | \$3,163,959.00 |
| Program Administration | | \$351,550.00 |
| Total | | \$3,515,509.00 |
| | | |