

## 1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
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## 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.

### Data Sources Used to Determine Areas of Greatest Need

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

##### Response:

The data sources used to determine the areas of greatest need with Lake County, FL included the United States Department of Housing and Urban Development's (HUD) NSP 3 mapping tool (<http://www.huduser.org/NSP/NSP3.htm>), HUD data showing the foreclosure risk score, LMMI area benefit, address vacancy, and other information for each block group, and other mapping data such as neighborhood condition, lending activities, income levels, and owner/renter information (<http://www.policymap.com/maps>).

### Determination of Areas of Greatest Need

#### Describe how the areas of greatest need were established.

##### Response:

In choosing the target for NSP3 four main factors were considered (1) areas with the greatest concentration of low/moderate income persons (2) areas with the greatest need scores equal to or greater than the Florida neediest score of 17, (3) estimated number of units required to impact the chosen areas; and, (4) funding available. By concentrating NSP3 funds in previously served areas, it is anticipated that stabilization impact and measurable outcomes will be increased by expanding the number of properties acquired, rehabilitated, and resold or rented.

Twenty different neighborhoods were chosen for consideration based on various elements and HUD mapping data tools. These were assessed, in part using the NSP3 mapping tool, for:

- \* HUD minimum need score;
- \* areas where target income buyers were interested in;
- \* areas small enough to have a significant impact yet large enough to have sufficient eligible and viable properties.
- \* Almost all of the twenty neighborhoods originally reviewed were also NSP 1 areas.

##### Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the

strategy development. Some things we considered as the target areas were chosen are:

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.

As the market continued to change, there was an apparent lack of single-family foreclosure products in the affected areas. We have redesigned some of the areas for single family homebuyer development but also have added an area for multifamily development. Those areas that did not produce the foreclosure product were either eliminated or adjusted in this process, four areas remain. The target neighborhoods were then ultimately decided through consensus from citizen input, staff & elected officials. Almost all of Lake County meets HUD's minimum need score. After a review of areas with the highest number of foreclosures and REO's narrowed the scope to four areas; Leesburg, Montclair/Carver Heights, Clermont/Groveland, and one area in Eustis. Realizing that the emphasis in the housing needs for the residents has changed from homebuyer to rental housing, we needed to identify areas where multifamily projects were available. When searching for this area we considered housing needs, banking industry changes, transportation needs, and access to jobs and services. We also realize that people were still interested in buying homes, so we searched for smaller neighborhoods that might not be identified through the process above; we consulted our non-profits, local affordable housing officials, and real estate professionals. A summary of these four target areas along with proposed levels of assistance and goals is as follows:

In Reviewing NSP1 target areas where homes had already been purchased, the Mascotte/Groveland area has shown little to no foreclosure opportunities, so we replaced the designated area to include an expanded Clermont/Minneola area to reap a greater success in those areas having the greatest need, although the previous NSP1 target area had too high an impact score. Since consensus was that this area still best met HUD's criteria due to access to public transportation, the location is nearby several major employers as well as closely located to hospitals and shopping plazas with the average housing prices within the range necessary to serve LMMI families, a good mix of both newer and older homes, and still an active housing market. In looking at the data the total housing units to receive a mortgage between 2004 and 2007 was 7869. The percentage of housing units with a high cost, sub-prime mortgage is 20.41% and the percent of housing units 90 or more days delinquent or in foreclosure for this area is 15.07% which indicates that many of these homes will be entering foreclosure in the near future leaving families and neighborhoods even more devastated.

In addition, the Montclair-Carver Heights, another much smaller neighborhood just outside the city limits of Leesburg, also identified as an area of greatest need, but having a minimum impact score was

selected as a target area for rental. This area will be targeted for affordable rental housing based on the homes available, the socio-economic indicators, and the available apartments available due to foreclosure. In looking at the data the total housing units to receive a mortgage between 2004 and 2007 was 282. The percentage of housing units with a high cost, sub-prime mortgage is 33.1% and the percent of housing units 90 or more days delinquent or in foreclosure for this area is 16.6 % which indicates that many of these homes will be entering foreclosure in the near future. The unemployment rate in this area is 11.6% and over 21% of the residential homes have been vacant for more than 90 days or have no status. The value of these homes has also dropped 37% and will continue to decline without some form of stabilization.

Also, a section of Eustis area was targeted due to access to public transportation, the location of several grocery stores, doctors, and the average housing prices within the range necessary to serve LMMI families, mostly newer homes, and still an active housing market. In viewing the total data the total housing units to receive a mortgages between 2004 and 2007 were 995. The percentage of housing units with a high cost, sub-prime mortgage is 30.09 and the percent of housing units 90 or more days delinquent or in foreclosure for this area is 17.58% which indicates that many of these homes will be entering foreclosure in the near future leaving families and neighborhoods even more devastated. The unemployment rate in this area is 11.6% and over 10% of the residential homes have been vacant for more than 90 days or have no status. The value of these homes has also dropped significantly and will continue to decline without some form of stabilization.

**Project Summary for NSP3**

<b>Project Name</b>	<b>Total Housing Units</b>	<b>NSP3 Need Score</b>
Eustis	2431	19
Montclair/Carver Heights	514	19
Clermont/Minneola	2330	19
Bentley Rd.	512	19
<b>Total Housing Units: 6440</b>		
<b>Total NSP3 Need Score: 19</b>		

	<b>Eustis</b>	<b>Leesburg 2</b>	<b>Bentley Rd.</b>	<b>Clermont/Minneola</b>
Neighborhood NSP3 Score:	19	19	19	19
State Minimum Threshold:	17	17	17	17
Total Housing Units:	2431	514	512	11089
<b>Area Benefit Eligibility</b>				
% Persons under 120% AMI:	70.14%	81.05%	80.4	48.37
% Persons under 80% AMI:	47.48%	64.26%	68.9	28.47

### 3. Definitions and Descriptions

#### Definitions

Term	Definition
Blighted Structure	The Lake County Code of Ordinance (Chapter 6-22) defines unsafe buildings using the International Property Maintenance Code. For the purpose of the NSP, Lake County will utilize this as the definition of “blighted structure”.
Affordable Rents	The maximum affordable rents shall not exceed the HOME program limits as published annually by the US Department of Housing and Urban Development for the Orlando-Kissimmee-Sanford MSA.

#### Descriptions

Term	Definition
Long-Term Affordability	<p>Lake County will ensure long term affordability through the use of a Deed Restriction and Mortgage liens which will be recorded against the property. If an owner, who has been assisted through this program, transfers title to the property before the affordability period expires, the assistance provided by the County will be subject to recapture. The County will annually monitor rental developments that are assisted with NSP funds during the affordability period to ensure that the specified units are affordable and that the property(s) continue to meet minimum housing quality standards. Rental units created or developed through the use of NSP funds will have a minimum 15 year affordability period.</p> <p>All Properties receiving NSP funding for homeownership will be secured by a recorded mortgage or land use agreement on the property, in favor of the County. When a Housing Partner sells a property to an eligible homebuyer, a portion of the mortgage may be transferred to the applicant in form of down payment and/or closing cost assistance.</p> <p>For homeownership assistance the County will follow the affordability period defined through the HOME program standards at 24 CFR 92.254, which establishes the minimum affordability period as listed below:</p> <ul style="list-style-type: none"> <li>• Up to \$15,000 = 5 Years</li> <li>• \$15,000- \$40,000 = 10 Years</li> <li>• Over \$40,000 = 15 Years</li> </ul>
Housing Rehabilitation Standards	<p>The Lake County Housing Division will utilize the Florida Department of Community Affairs Building Code for all NSP assisted activities. In addition, Lake County will implement energy savings measures when the activity is financially feasible.</p> <ul style="list-style-type: none"> <li>○ All gut rehabilitation or new construction (i.e., general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls) of residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes.</li> </ul>

	<ul style="list-style-type: none"> <li>○ All gut rehabilitation or new construction of mid -or high-rise multifamily housing must be designed to meet American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Standard 90.1-2004, Appendix G plus 20 percent (which is the Energy Star standard for multifamily buildings piloted by the Environmental Protection Agency and the Department of Energy).</li> <li>○ Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete products and appliances (such as windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units, refrigerators, clothes washers and dishwashers) with Energy Star-46 labeled products.</li> <li>○ Water efficient toilets, showers, and faucets, such as those with the WaterSense label, must be installed.</li> <li>○ Where relevant, the housing should be improved to mitigate the impact of disasters (e.g., earthquake, hurricane, flooding, fires).</li> </ul>
Rental Housing Preference	Lake County has identified affordable rental housing as a great need for the residents of Lake County and has therefore set aside at least 25% of the total NSP3 allotment be utilized for affordable rental development.
Vicinity Hiring	<p>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.</p> <p>Lake County will enforce Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1992, requires that recipients of financial assistance provided by the U.S. Department of Housing &amp; Urban Development ("HUD"), including developers, owners, contractors and their subcontractors provide, "to the greatest extent feasible", training and employment opportunities for low income <b>area residents</b> and contract opportunities for the performance of work by <b>local businesses</b> owned by and/or employing low income residents.</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 = \$799,896.25

### Meeting Low-Income Target

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

Response:

Lake County anticipates that the majority of funding set aside for households at or below 50% of Area Median Income will be for rental housing; however, homeownership opportunities will not be excluded. A minimum of 25% or \$799,896.25 will be set aside to serve families at or below 50% of the Area Median Income. The County will require that any potential multifamily development acquisition be reviewed by Community Services Housing Division for financial feasibility.

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

## 5. Acquisition and Relocation

### Demolition or Conversion of LMI Units

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

No

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

## 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:

On Nov. 17, 2012 the draft NSP3 plan was made available for public review. As required by HUD, a Public Notice was placed in the Orlando Sentinel, and copies of the plan were made available at: Lake County Housing Division, 1300 S. Duncan Dr., Bldg. E, Tavares, FL. The Public Notice informed residents that the draft amendment was available for review, listed review locations, placed on our website at and notified that comments would be accepted until 5:00 p.m. on Dec. 3, 2012.

**Summary of Public Comments Received.**

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

**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.

<b>Activity Number 1</b>	
<b>Activity Name</b>	Acquisition-LH
<b>Uses</b>	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	
<b>CDBG Activity or Activities</b>	24 CFR 570.201(a) Acquisition
<b>National Objective</b>	Low-Income Housing to Meet 25% Set-Aside
<b>Activity Description</b>	Lake County’s Housing Division plans to use a minimum of \$1,468,127 for rental housing preference meet the 25% Set aside of low-income housing to purchase and rehab 5 single family homes (rental), one 35 Unit apartment complex with 50% of units set aside to meet NSP 25% set aside, and one 12 Unit apartment complex (Rental) of foreclosed units in areas of greatest need for rental to households at or below 50% of AMI. Market conditions indicate that there are many more foreclosed properties available than can be purchased with NSP funding. This activity is expected to benefit 34 low-income families for access to affordable rental. The housing market conditions in the areas identified for rental have long been disinvested and have decayed even more dramatically during the decline in the housing market. According to the Shimberg Center, there is a great need for decent, affordable housing in this area. Over 40% of persons living in this area are paying greater than 30% of their gross income for housing with some paying as much as 50% of their gross income for housing. Many of the housing are in substandard condition and this activity will increase the quality of living through providing decent, affordable housing. Many of the homes owned in the area are in disrepair coupled with absentee landlords. We are working with non-partner

agencies that will develop these properties and provide supportive services to assist the families to increase their quality of living.

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.

Lake County will enforce Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1992, requires that recipients of financial assistance provided by the U.S. Department of Housing & Urban Development ("HUD"), including developers, owners, contractors and their subcontractors provide, "to the greatest extent feasible", training and employment opportunities for low income **area residents** and contract opportunities for the performance of work by **local businesses** owned by and/or employing low income residents.

The coordination of all activities will be carried out by the NSP staff. CSHD will manage the due diligence required for property acquisition and construction management. All NSP 3 requirements, 75 FR 64322 will be adhered to and relegated to the developers for program compliance.

CSHD will be responsible for the following items:

- Conducting the environmental review;
- Issuing the Purchase orders for all acquisition and appraisal services
- Inspection/assessment and clearance;
- Approving acquisition of selected properties;
- Approving all eligible expenses
- Processing all payments to non-profit developers
- Assisting the promotion of the properties for the Housing Partners;
- Monitoring the Housing Partners to ensure quality and procedures are adhered to
- Finalized Client Income Eligibility of homeowners

The Non-Profit Developers will be responsible for the following items:

- Requesting title services, surveys, and lead-based paint inspections
- Identifying the selected properties within the designated areas.
- Managing the work contracts between the Developer and the County's qualified list of contractors
- bidding the work, inspecting the project work and issuing payments to the contractors;
- Assisting in the promotion of the properties
- Initial Client Income Eligibility
- Assisting/Identifying client that can gain financing for home purchases

CSHD will subscribe annually to an annual subscription that provides information on foreclosed properties to aid in the support of property identification by the developer. The developer's staff will research the target areas for foreclosed properties, conduct a site visit to confirm vacancy, and document the judicial foreclosure of each property.

The Code Enforcement Department has a registry of distressed properties that is shared with CSHD and the NSP developers will review and research target area properties on this list to find which are in lis pendens and any that are foreclosed. CSHD will track the properties in lis pendens as potential foreclosures in the target areas. Our partner agencies will also work with REO specialist to identify properties in the targeted areas. Developers will inspect the property once access is allowed and contract to purchase if property meets the standards. The Developer will forward all received initial appraisals to the CSHD Review Appraiser for concurrence of value before any offer to purchase is made. The CSHD staff will evaluate the documentation prior to approving the purchase based on factors such as cost to rehabilitate/rebuild, value with the required discount, and the environmental conditions of the site/area. The developer will notify the property owner (bank) of the value of the property based on the cost estimates. After acquisition, the developer must complete a work write up and cost estimate and then complete the environmental unspecified sites review. CSHD will issue purchase orders to the vendors on contract for the appraisal, title search, property survey and lead paint inspection/assessment, when applicable.

After the property is purchased, the Housing Partner will work with the CSHD construction inspector to ensure bidding of work is performed according to all NSP 3 requirements, 75 FR 64322 and will manage the construction process with pre-construction meetings, walkthroughs, inspection of work, and progress payments. CSHD staff and the County's Public Information Department will work with the Housing Partner to assist the developer to market the properties to eligible homebuyers.

The developer will be responsible for the ownership and management of the properties. This includes maintaining, securing and insuring the properties. They will work with the CSHD staff on the rehabilitation/demolition/rebuilding of the properties. They will also income qualify potential homebuyers and ensure the buyer receives eight (8) hours of one-on-one counseling. For multifamily projects, the developer will work with the selected property management consultant (or if the developer has the capacity to conduct this action in house) to rent the property to eligible households. In the case of the single family rentals, the developer will provide lease purchase options for the eligible household to acquire the homes for homeownership. The developer will initiate marketing plans after the initial closing with the lender and promote the properties at the county sponsored housing fair and listing the properties on the CSHD county website.

The County will allow for and pay for development fees that are fair and

	<p>reasonable as part of the acquisition and rehabilitation process. Development fees and other soft/project related cost associated with the acquisition and rehab shall be considered "Project Delivery" cost and will be charged to the individual projects assisted.</p> <p>Lake County will ensure long term affordability through the use of a Deed Restricted Covenant which will be recorded against the property. If an owner, who has been assisted through this program, transfers title to the property before the affordability period expires, the assistance provided by the County will be subject to recapture. The County will annually monitor rental developments that are assisted with NSP funds during the affordability period to ensure that the specified units are affordable and that the property(s) continue to meet minimum housing quality standards. Rental units created or developed through the use of NSP funds will have a minimum 15 year affordability period.</p> <p>All Properties receiving NSP funding for homeownership will be secured by a recorded mortgage or land use agreement on the property, in favor of the County. When a Housing Partner sells a property to an eligible homebuyer, a portion of the mortgage may be transferred to the applicant in form of down payment and/or closing cost assistance.</p> <p>For homeownership assistance the County will follow the affordability period defined through the HOME program standards at 24 CFR 92.254, which establishes the minimum affordability period as listed below:</p> <ul style="list-style-type: none"> <li>• Up to \$15,000 = 5 Years</li> <li>• \$15,000- \$40,000 = 10 Year</li> <li>• Over \$40,000 = 15 Years</li> </ul>	
<b>Location Description</b>	This activity will be carried out in the target areas as referenced in the attached maps identifying areas of greatest Need. After analysis within the target area, specific properties will be evaluated. Factors may include elements such as block location, amount of rehab needed, and other criteria affection costs.	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$1,468,127
	(Other funding source)	\$413,644
	(Other funding source)	\$
<b>Total Budget for Activity</b>	<b>\$1,881,771</b>	
<b>Performance Measures</b>	Increase opportunities for affordable housing in target areas as measured by the creation of at least 34 units for households at or below 50% area median income.	
<b>Projected Start Date</b>	3/01/11	
<b>Projected End Date</b>	2/28/14	
<b>Responsible Organization</b>	<b>Name</b>	Lake County Board of County Commissioners
	<b>Location</b>	315 W. Main St., Tavares, FL 32778
	<b>Administrator Contact Info</b>	352-742-6519

**Activity Number 2**

<b>Activity Name</b>	Acquisition-LMMI
<b>Use</b>	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
<b>CDBG Activity or Activities</b>	24 CFR 570.201(a) Acquisition
<b>National Objective</b>	Low Moderate Middle Income Housing (LMMH)
<b>Activity Description</b>	<p>Lake County's Housing Division plans to use a minimum of \$839,500 for purchase and rehab one 35 Unit apartment complex rental housing to with 50% of units set aside to serve families up to 120% MFI. Market conditions indicate that there are a limited number of foreclosed properties available than can be purchased with NSP funding. This activity is expected to benefit 21 low-income families for access to affordable rental. The housing market conditions in the areas identified for rental have long been disinvested and have decayed even more dramatically during the decline in the housing market. According to the Shimberg Center, there is a great need for decent, affordable housing in this area. Over 40% of persons living in this area are paying greater than 30% of their gross income for housing with some paying as much as 50% of their gross income for housing. Many of the housing are in substandard condition and this activity will increase the quality of living through providing decent, affordable housing. Many of the homes owned in the area are in disrepair coupled with absentee landlords. We are working with non-partner agencies that will develop these properties and provide supportive services to assist the families to increase their quality of living.</p> <p>Lake County' Housing Division plans to use \$572,000 for purchase and rehab of 4 single family homes for homebuyer activity in the areas of greatest need for resale to households up to 120% AMI. Market conditions indicate that there are minimal foreclosed properties available than can be purchased with NSP funding.</p> <p>The coordination of all activities will be carried out by the NSP staff. CSHD will manage the due diligence required for property acquisition and construction management. All NSP 3 requirements, <u>75 FR 64322</u> will be adhered to and relegated to the developers for program compliance.</p> <p>CSHD will be responsible for the following items:</p> <ul style="list-style-type: none"> <li>➤ Conducting the environmental review;</li> <li>➤ Issuing the Purchase orders for all acquisition and appraisal services</li> <li>➤ Inspection/assessment and clearance;</li> </ul>

- Approving acquisition of selected properties;
- Approving all eligible expenses
- Processing all payments to non-profit developers
- Assisting the promotion of the properties for the Housing Partners;
- Monitoring the Housing Partners to ensure quality and procedures are adhered to
- Finalized Client Income Eligibility of homeowners

The Non-Profit Developers will be responsible for the following items:

- Requesting title services, surveys, and lead-based paint inspections
- Identifying the selected properties within the designated areas.
- Managing the work contracts between the Developer and the County's qualified list of contractors
- bidding the work, inspecting the project work and issuing payments to the contractors;
- Assisting in the promotion of the properties
- Initial Client Income Eligibility
- Assisting/Identifying client that can gain financing for home purchases

CSHD will subscribe annually to an annual subscription that provides information on foreclosed properties to aid in the support of property identification by the developer. The developer's staff will research the target areas for foreclosed properties, conduct a site visit to confirm vacancy, and document the judicial foreclosure of each property.

The Code Enforcement Department has a registry of distressed properties that is shared with CSHD and the NSP developers will review and research target area properties on this list to find which are in lis pendens and any that are foreclosed. CSHD will track the properties in lis pendens as potential foreclosures in the target areas. Our partner agencies will also work with REO specialist to identify properties in the targeted areas. Developers will inspect the property once access is allowed and contract to purchase if property meets the standards. The Developer will forward all received initial appraisals to the CSHD Review Appraiser for concurrence of value before any offer to purchase is made. The CSHD staff will evaluate the documentation prior to approving the purchase based on factors such as cost to rehabilitate/rebuild, value with the required discount, and the environmental conditions of the site/area. The developer will notify the property owner (bank) of the value of the property based on the cost estimates. After acquisition, the developer must complete a work write up and cost estimate and then complete the environmental unspecified sites review. CSHD will issue purchase orders to the vendors on contract for the appraisal, title search, property survey and lead paint inspection/assessment, when applicable.

After the property is purchased, the Housing Partner will work with the CSHD construction inspector to ensure bidding of work is performed according to all

NSP 3 requirements, 75 FR 64322 and will manage the construction process with pre-construction meetings, walkthroughs, inspection of work, and progress payments. CSHD staff and the County's Public Information Department will work with the Housing Partner to assist the developer to market the properties to eligible homebuyers.

The developer will be responsible for the ownership and management of the properties. This includes maintaining, securing and insuring the properties. They will work with the CSHD staff on the rehabilitation/demolition/rebuilding of the properties. They will also income qualify potential homebuyers and ensure the buyer receives eight (8) hours of one-on-one counseling. For multifamily projects, the developer will work with the selected property management consultant (or if the developer has the capacity to conduct this action in house) to rent the property to eligible households. In the case of the single family rentals, the developer will provide lease purchase options for the eligible household to acquire the homes for homeownership. The developer will initiate marketing plans after the initial closing with the lender and promote the properties at the county sponsored housing fair and listing the properties on the CSHD county website.

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

Lake County will ensure long term affordability through the use of a Land Use Restriction Agreement (LURA) which will be recorded against the property. If an owner, who has been assisted through this program, transfers title to the property before the affordability period expires, the assistance provided by the County will be subject to recapture. The County will annually monitor rental developments that are assisted with NSP funds during the affordability period to ensure that the specified units are affordable and that the property(s) continue to meet minimum housing quality standards. Rental units created or developed through the use of NSP funds will have a minimum 20 year affordability period.

All Properties receiving NSP funding for homeownership will be secured by a recorded mortgage or land use agreement on the property, in favor of the County. When a Housing Partner sells a property to an eligible homebuyer, a portion of the mortgage may be transferred to the applicant in form of down payment and/or closing cost assistance.

For homeownership assistance the County will follow the affordability period defined through the HOME program standards at 24 CFR 92.254, which establishes the minimum affordability period as listed below:

- Up to \$15,000 = 5 Years
- \$15,000- \$40,000 = 10 Year

	<ul style="list-style-type: none"> <li>Over \$40,000 = 15 Years</li> </ul> <p>This activity is expected to benefit 4 LMMI families for access to affordable homeownership. The housing market conditions in the areas identified for homeownership are located in modestly priced areas that continue to have an active market. According to the Shimberg Center, the housing data supports a tremendous loss in homeownership for the areas identified. Many of the homes have been abandoned and in spite of activity in the real estate market, the neighborhoods will continue to decline without the assistance of this program. Without these funds, these middle class neighborhoods and homeowners who are desperately working to maintain their homes will continue to experience a loss in home value and further decline in the housing market. Many of the housing are in poor condition due to the length of time the homes have been unoccupied and this activity will increase the quality of living through providing a stabilizing force in the neighborhoods, reducing crime and code enforcement activities caused by abandonment of properties. We are working with non-partner agencies that have a long history of developing affordable homeownership opportunities and understand the specific challenges of serving this clientele.</p> <p>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.</p> <p>Lake County will enforce Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1992, requires that recipients of financial assistance provided by the U.S. Department of Housing &amp; Urban Development ("HUD"), including developers, owners, contractors and their subcontractors provide, "to the greatest extent feasible", training and employment opportunities for low income <b>area residents</b> and contract opportunities for the performance of work by <b>local businesses</b> owned by and/or employing low income residents.</p>	
<b>Location Description</b>	This activity will be carried out in the target areas as referenced in the attached maps identifying areas of greatest Need. After analysis within the target area, specific properties will be evaluated. Factors may include elements such as block location, amount of rehab needed, and other criteria affection costs.	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$1,411,500
	(Other funding source)	\$
	(Other funding source)	\$
<b>Total Budget for Activity</b>	<b>\$1,411,500</b>	
<b>Performance Measures</b>	Increase opportunities for affordable housing in target areas as measured by the creation of a minimum of 21 units for households at or below 120% area median income.	
<b>Projected Start Date</b>	3/01/11	
<b>Projected End Date</b>	2/28/14	

<b>Responsible Organization</b>	<b>Name</b>	Lake County Board of County Commissioners
	<b>Location</b>	315 W. Main St., Tavares, FL 32778
	<b>Administrator Contact Info</b>	352-742-6519 chowell@lakecountyfl.gov
<b>Activity Number 3</b>		
<b>Activity Name</b>	Administration	
<b>Use</b>	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	
<b>CDBG Activity or Activities</b>	24 CFR 570.206 (1) Planning and Administration 24 CFR 570.206 (a) (1)—Planning and Administration	
<b>National Objective</b>	N/A	
<b>Activity Description</b>	NSP funds will be used to pay reasonable program administration costs related to the planning and execution of the activities listed above. This includes costs related to staffing for overall program management, coordination, monitoring, reporting, and direct and indirect charges.	
<b>Location Description</b>	(Area or possible areas of greatest need where activity is being undertaken)	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$319,958
	(Other funding source)	\$
	(Other funding source)	\$
<b>Total Budget for Activity</b>	\$319,958	
<b>Performance Measures</b>	N/A	
<b>Projected Start Date</b>		
<b>Projected End Date</b>		
<b>Responsible Organization</b>	<b>Name</b>	Lake County Board of County Commissioners
	<b>Location</b>	315 W. Main St., Tavares, FL 32778
	<b>Administrator Contact Info</b>	352-742-6519 chowell@lakecountyfl.gov

**NSP 3 Budget**

Activity	Amount Allocated	Total Units
Acquisition/Rehab LMMI	\$1,411,500	21
Acquisition/Rehab LH	\$1,468,127	34
Administration	\$319,958	N/A
<b>Total</b>	<b>\$3,199,585</b>	<b>55</b>

## 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

12/20/12  
Date

Board of County Commissioner Chair  
Title

## Certifications for Non-Entitlement Local Governments

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

improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

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- 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.

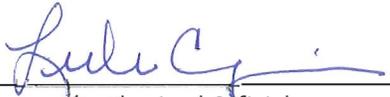
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(13) **Compliance with lead-based paint procedures.** The jurisdiction certifies that its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

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\_\_\_\_\_  
Signature/Authorized Official

12/20/12  
Date

Board of County Commissioner Chair  
Title