

NSP GRANT SUBMISSION TEMPLATE **& CHECKLIST**

NSP grant allocations can be requested by submitting a paper NSP Substantial Amendment or a form under the Disaster Recovery Grant Reporting (DRGR) system. This template sets forth the suggested format for grantees under the NSP Program. A complete submission contains the information requested below, including:

- (1) The NSP Substantial Amendment (attached below)
- (2) Signed and Dated Certifications (attached below)
- (3) Signed and Dated [SF-424](#).

Grantees should also attach a completed NSP Substantial Amendment Checklist to ensure completeness and efficiency of review (attached below).

THE NSP SUBSTANTIAL AMENDMENT

Jurisdiction(s): <u>City of Glendale Arizona</u> (<i>identify lead entity in case of joint agreements</i>) Jurisdiction Web Address: <u>www.glendaleaz.com</u> (<i>URL where NSP Substantial Amendment materials are posted</i>)	NSP Contact Person: <u>Gilbert Lopez</u> Address: <u>6829 N. 58th Dr. Suite 104</u> Telephone: <u>(623) 930-3670</u> Fax: <u>(623) 435-8594</u> Email: <u>glopez@glendaleaz.com</u>
--	--

A. AREAS OF GREATEST NEED

Provide summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction.

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

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

Response: Recent events in the Glendale, Arizona, housing market have created a situation that requires additional resources are directed to certain Glendale neighborhoods. In response, our management team proactively created an internal "Foreclosure Task Force," to study the issue and identify potential recommendations to assist individuals and our neighborhoods in mitigating the impact of foreclosure and abandoned homes. This task force is made up of staff from our Code Compliance Department, the Community Services Group, and the Community Partnerships Department (which consists of the Community Revitalization Division, Neighborhood Partnership Office and the Community Housing Division). The group developed an action plan utilizing elements of the Community Development Block Grant Annual Action Plan, and our Council adopted Five-Year Neighborhood Revitalization Strategy as a guide. The action plan was also developed in conjunction with supporting information from a recent Foreclosure Issue Executive Report and data from our recent Strategic Housing Study (completed in August 2008). A crucial part of this plan includes the use of all available resources to minimize the effects of foreclosures on Glendale neighborhoods. Glendale's Annual Action Plan, the Strategic Housing Study, along with this NSP Substantial Amendment to our FY2008-09 Annual Action Plan, are available on our website at www.glendaleaz.com for public review and comment.

Supporting maps and data are attached and part of this submittal.

B. DISTRIBUTION AND USES OF FUNDS

Provide a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures. *Note:* The grantee's narrative must address these three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

Response: **The City of Glendale was recently notified by HUD that there is a potential allocation of \$6,184,112 in funding through HUD's Neighborhood Stabilization Program (NSP). To determine the population with the greatest needs categories, staff used formula data and risk scores, which were created by HUD to determine the NSP formula allocation to States and Cities. This information along with specific local data, such as bank owned property listings, Code Enforcement Data, and Utility Data was also used to determine need categories.**

Based on current data, the following areas meet the three stipulated need categories: neighborhoods within the Downtown Redevelopment Area (43rd - 67th Avenues; Orangewood to Maryland Avenues) and others within the 85301 (census 931.02, 928 block group 1, 3, 4, 5, 6, and 931.01, 930, 929 block group 1, 924, 925, and 926), 85302 (census tracts 923.09, 923.07, and 923.04), and 85303 (census tracts 927.03, 927.13, 927.14, 927.12, and 927.05) zip codes. These are the areas identified as having the greatest need, contain currently available foreclosed properties, and where NSP targeting will produce the highest impact.

HUD produced risk score data and qualifying census tract data that was plotted utilizing our Geographic Information System (GIS) by Glendale's Information and Technology Department. This data shows where potential future foreclosures may occur. Other information gathered from AZ Central DataCentral, Bank Owned Foreclosed Real Estate Listings, Fannie Mae, and Glendale Department of Code Compliance data, identify the same areas as having a high risk of foreclosures, a high percentage of subprime mortgage related loans, program qualifying census tracts, and existing foreclosed properties. The downtown redevelopment area is located within the 85301 zip code. These areas are likely to face a significant rise in the rate of foreclosures without intervention and prevention measures. Supporting data maps are attached as part of this amendment.

C. DEFINITIONS AND DESCRIPTIONS

D. Definition of "**blighted structure**" in context of state or local law.

Response: As defined in HUD Docket No. FR-5255-N-01: **A structure is blighted when it exhibits objectively determinable sign of deterioration sufficient to constitute a threat to human health, safety, and public welfare.**

The property must be dilapidated, beyond repair and/or pose a health or safety risk to the community. The property must:

- **Pose a health and/or safety risk to the community and/or**
- **Result in a blight on the surrounding area and/or**
- **Meet any of the following conditions as specified by ARS 36-1471:**
 2. **"Blighted area" means an area, other than a slum area, where sound, municipal growth and the provision of housing accommodations is substantially retarded or arrested in a predominance of the properties by any of the following:**
 - (a) **A dominance of defective or inadequate street layout.**
 - (b) **Faulty lot layout in relation to size, adequacy, accessibility or usefulness.**
 - (c) **Unsanitary or unsafe conditions.**
 - (d) **Deterioration of site or other improvements.**
 - (e) **Diversity of ownership.**
 - (f) **Tax or special assessment delinquency exceeding the fair value of the land.**
 - (g) **Defective or unusual conditions of title.**
 - (h) **Improper or obsolete subdivision platting.**
 - (i) **The existence of conditions that endanger life or property by fire and other causes.**

(2) Definition of “affordable rents.” *Note:* Grantees may use the definition they have adopted for their CDBG program but should review their existing definition to ensure compliance with NSP program –specific requirements such as continued affordability.

Response: **Affordable rents will be defined according to Home affordable rent requirements in conjunction with Section 8 rules and regulations.**

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

Response: **Housing assisted with NSP funds will have a promissory note and deed of trust filed with the county recorders office that spells out the terms of the investment. The lien ensures the period of affordability and will allow the City to recover its investment in the event that the property transfers to a new owner within the designated time period.**

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

Response: **The City has adopted the International Building Codes and other related codes and ordinances. As a member of the Maricopa HOME Consortium, the City of Glendale also helped develop, and adopted the Consortium's developed Housing Rehabilitation Standards. As with our current housing rehabilitation programs, structures acquired and rehabilitated as part of the Neighborhood Stabilization Program will meet or exceed the minimum standards called for by these codes.**

D. LOW INCOME TARGETING

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income: **\$1,550,000 or more.**

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

Response: **Because this group faces particularly difficult challenges in securing financing in this tight credit market, multi-housing rental and/or housing with a rent-to-own component will be pursued to meet this mandatory benchmark. This requirement, along with all others, will be tracked for compliance and reporting purposes.**

E. ACQUISITIONS & RELOCATION

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

If so, include:

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

Response: **It is our intent to acquire underperforming, blighted, unoccupied properties in the redevelopment area that were identified in our Strategic Housing Study and develop them into a community contributing property that is safe, decent and sanitary. This will be accomplished by partnering with our non-profit partners. Vacant property can be maintained and held for future development (per adopted development plan) by utilizing an established non-profit holding entity or land bank.**

It is our intent to fund the acquisition and redevelopment of approximately fifteen (15) properties via one or multiple non-profit partners. The properties will be marketed and sold to families/individuals at or below 120% of local AMI.

In the unlikely event that occupied properties are acquired, the non-profit partners, with City of Glendale oversight, will follow and comply with the federal Uniform Relocation Act requirements as mandated by federal regulations and NSP/HERA.

In order to meet the requirement that 25% of the funds benefit households whose income does not exceed 50% AMI, the City will use a variety of approaches.

- 1. Work with non-profit and for profit developers to acquire a foreclosed multi-family property for redevelopment into senior or special needs housing.**

2. **Partner with current non-profit partners, such as Habitat for Humanity, that have successfully provided affordable housing for families earning less than 50% of AMI currently and in the past. These programs use sweat equity, corporate sponsorship, and community volunteerism to bridge the affordability gap.**
3. **Another component will be the possible rental of acquired and rehabilitated residential properties to households whose income does not exceed 50% AMI. The Community Land Trust model, such as the one administered by Newtown Development Corp. falls in part, under this concept.**

F. PUBLIC COMMENT

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

Response: **The City processed the NSP Substantial Amendment as required by current regulations and has received several positive comments prior to the beginning of the public comment period. These comments - along with the great need in our community - are the reason that the City of Glendale, Arizona, is applying for the NSP funding. The following steps were utilized in the public notification and input process:**

Neighborhood Stabilization Program Public Process Calendar

October 16, 2008 Thursday	Public Notice (P/N) for 10/28/08 Special CDAC Meeting in The Glendale Star
*October 23, 2008 Thursday	Public Notice (P/N) for 11/06/08 CDAC Meeting in The Glendale Star
October 28, 2008 Tuesday 6:30 p.m. *Glendale Adult Center Rm. 116	CDAC Special Meeting (NSP Information/Application Approval)
November 6, 2008 Thursday	Public Notice (P/N) for 15-day Comment Period on NSP Application in The Glendale Star
November 6, 2008 Thursday 6:30 p.m. *Glendale Adult Center Rm. 106	CDAC Meeting (NSP Information/FY 09-10 Grant Application Books)
November 7, 2008 Friday	Day 1 – Public Comment Period Begins for NSP Application
November 21, 2008 Friday	Day 15- Public Comment Period Ends for NSP Application
November 25, 2008 Tuesday 7:00 p.m. Council Chambers	City Council Evening Meeting – NSP Council Communication – Substantial Amendment Approval
December 1, 2008 Monday	NSP Application DEADLINE

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

Activity Number 1:

(1) Activity Name: **Foreclosed Property Acquisition and Rehabilitation Program**

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

The activities under NSP are acquisition, disposition, clearance and demolition, homeownership assistance, construction of housing, residential rehabilitation, and acquisition rehabilitation.

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

The activities described will meet the LMMH and LMMC (required counseling) national objectives under NSP. The LMMC objective will be met when providing acquisition and demolition activities. These are as defined under the NSP Notice or CDBG if not covered.

(4) Projected Start Date: **A Request for Proposal (RFP) or other approved procurement process will be utilized to find the best projects and partners. This effort will be initiated as soon as allowable under the regulations. We anticipate award of contract and actual implementation during the spring/summer of 2009. The projected start day is contingent upon when funds are received and the completion of Environmental Review.**

(5) Projected End Date: **All activity will continue through the commitment deadline and continue to be reinvested into NSP activities or as allowed by NSP regulations.**

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

The City of Glendale, Community Partnerships Department will implement the Neighborhood Stabilization Program through existing and new non-profit and for-profit partners. The division is located at 6829 North 58th Drive, Suite 104, Glendale, Arizona 85301.

An RFP process to fund the best agencies/partners and proposals will be initiated as soon as allowable under the regulations, anticipate the spring/summer of 2009. It is anticipated that up to three to four partners using varying types of homeownership/lease-to-own programs will help the City reach its NSP goals.

There are also some other potential partnerships that will be considered that are currently being formed by a consortium of non-profits.

The proper level of procurement will be utilized and documented to ensure quality, competition, minority and women owned business opportunity, and the expedient use of the funds in compliance with City of Glendale requirements and federal regulations.

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

Glendale recently completed a comprehensive Strategic Housing Study that identifies where target properties are located by census tract. We also would target neighborhoods within our downtown redevelopment area that have community support. The specific zip codes are 85301, 85302, and 85303. These zip codes are supported by the HUD data used in creating the formula allocations, and foreclosure data from Arizona Central and the Arizona Multiple Listing Service. Additional local data will be combined with HUD supplied risk score, number of subprime loans, and other data to further target funding.

(8) Activity Description:

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

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership: **The first option will be homeownership, the second option will be a rent-to-own or lease purchase option/component that allows the applicants time to improve their credit and create a savings account.**
- duration or term of assistance: **Based on subsidy levels, with a maximum of 20 years, per HOME regulations.**
- a description of how the design of the activity will ensure continued affordability. **HOME program standards at 24 CFR 92.252(a),(c),(e), and (f), and 92.254 are adopted and will be applied to NSP activity where appropriate to meet or exceed minimum compliance.**

For acquisition activities, include:

- **Discount rate: A discount rate of 15% will be used until an approved methodology is developed that allows the use of the 10% discount rate. Our goal will be to achieve the best possible discount rate.**

For financing activities, include:

- **range of interest rates: It is anticipated that those customers at the upper range of eligibility will be able to acquire market financing with minimal subsidy.**
- **When providing loans to low-to-moderate individuals and families that the rate will be from 0-3% based on our current finance committee criteria. Loans from 80% to 120% of AMI will be based on the current published rate tied to LIBOR or as developed and adopted by our finance review committee.**

- **For customers that are below 50% of AMI, sweat equity and non-profit partner financing along with other subsidy will help these families or individuals become homeowners.**
- **Every NSP assisted homebuyer will be required to complete at least 8 hours of homebuyer counseling from a HUD approved housing counseling agency before obtaining a mortgage loan.**

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

We anticipate our public budget to be \$2.4 million and will try to leverage with private financing for potential buyers.

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

Acquired and Rehabilitated Property: The target under this category is approximately 17 homes purchased and rehabilitated.

Demolitions: We anticipate demolishing 10 qualifying blighted structures as part of this program. If they cannot be redeveloped they will be held by our partners or an established land bank for future redevelopment.

Activity Number 2:

(1) Activity Name: **Neighborhood Stabilization Program Financing**

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

The activities under NSP are financial mechanisms for acquisition, disposition, clearance and demolition, homeownership assistance, counseling, construction of housing, residential rehabilitation, and acquisition rehabilitation.

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

The activities described will meet the LMMH (financing mechanisms) and LMMC (counseling) national objectives under NSP. The LMMA objective will be met when financing acquisition and demolition activities. These are as defined under the NSP Notice or CDBG if not covered.

(4) Projected Start Date: **The proper procurement process will be utilized to find the most suitable financial partners, as soon as allowable under the regulations. We anticipate implementation during the spring/summer of 2009. It will be contingent upon funding and the appropriate level of Environmental Review.**

(5) Projected End Date: **Activity will continue through commitment deadline and continue to be reinvested into NSP activities or as allowed by NSP regulations.**

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

The City of Glendale, Community Partnerships Department will implement the Neighborhood Stabilization Program through existing and new non-profit and for-profit partners. The division is located at 6829 North 58th Drive, Suite 104, Glendale, Arizona 85301.

Potential banking and finance partners will be solicited and procured through the proper procurement mechanism based on projected funding and need. The City's Community Revitalization Division currently provides direct CDBG financial loans and services and will provide the same under NSP.

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

Glendale recently completed a comprehensive Strategic Housing Study that identifies where target properties are located by census tract. We also would target neighborhoods within our downtown redevelopment area that have community support. The specific zip codes are 85301, 85302, and 85303. These zip codes are supported by the HUD data used in creating the formula allocations.

(8) Activity Description:

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

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership; **The first option will be homeownership, the second option will be a rent-to-own or lease purchase option/component that allows the applicants time to improve their credit and create a savings account.**
- duration or term of assistance; **Based on subsidy levels, with a maximum of 20 years, per HOME regulations.**
- a description of how the design of the activity will ensure continued affordability. **HOME program standards at 24 CFR 92.252(a),(c),(e), and (f), and 92.254 are adopted and will be applied to NSP activity where appropriate to meet or exceed minimum compliance.**

For acquisition activities, include:

- discount rate: **NSP regulations will be followed per HUD guidance.**

For financing activities, include:

- range of interest rates

It is our intent that when providing loans to NSP eligible families and individuals that the rate will vary based on their income. The current finance review will be from 0-3% based

on our current finance committee criteria. Loans from 80% to 120% of AMI will be based on the current published rate tied to LIBOR.

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

The NSP budget for this activity will be \$1,565,701 along with leveraged private funds. The amount of leverage will vary depending on the subsidy or financing level required based on customer credit.

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

It is anticipated that 20 unit will be assisted through different levels of financing, depending on the need. A variety of options will be available, including but not limited to down-payment assistance, deep subsidy, 100% financing. The income level utilizing this program is anticipated to be in the 81 to 120 percent of area median income.

Activity Number 3:

(1) Activity Name: Senior and Special Needs Rental Housing

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

The activities under NSP are acquisition, potential clearance and demolition to construct housing, multi-unit and single unit residential rehabilitation, and acquisition rehabilitation.

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

The activities described will meet the LMMH and LMMC national objectives under NSP. These are as defined under the NSP Notice or CDBG if not covered.

(4) Projected Start Date: An RFP process to fund the best project and partner will be initiated as soon as allowable under the regulations, which we anticipate will occur during the spring/summer of 2009. It will be contingent upon funding and appropriate level of Environmental Review.

(5) Projected End Date: Activity will continue through commitment deadline and continue as required by NSP regulations, and HOME regulations as where applicable.

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

The City of Glendale, Community Partnerships Department will implement the Neighborhood Stabilization Program through existing and new non-profit and for-profit

partners. The division is located at 6829 North 58th Drive, Suite 104, Glendale, Arizona 85301.

An RFP process to fund the best project and partner will be initiated as soon as allowable under the regulations, which we anticipate to occur during the spring/summer of 2009.

The proper level of procurement will be utilized and documented to ensure quality, competition, minority and women owned business participation, and the expedient use of the funds in compliance with City of Glendale requirements and federal regulations.

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

Glendale recently completed a comprehensive Strategic Housing Study that identifies where target properties are located by census tract. We also would target neighborhoods within our downtown redevelopment area that have community support. Specific zip codes are 85301, 85302, and 85303, are supported by the HUD data used in creating the formula allocations.

(8) Activity Description:

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

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

This activity will follow HOME regulation regarding tenure, duration of assistance, and continued affordability. HOME program standards at 24 CFR 92.252(a),(c),(e), and (f), and 92.254 are adopted and will be applied to NSP activity where appropriate to meet or exceed minimum compliance.

For acquisition activities, include:

- discount rate

An aggregate acquisition discount rate of 15% will be utilized until an approved methodology is developed and approved that allows the use of the 10% discount rate. Our goal will be to get the best possible discount rate.

For financing activities, include:

- range of interest rates

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

We anticipate our public budget to be \$1.6 million and we will leverage additional private financing for the project.

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

It is anticipated that a minimum of 40 units of Senior or Special Needs housing will be created through this partnership to acquire and redevelop foreclosed, underperforming, rental properties. This category will utilize over 25% of NSP funds providing seniors making 50% or less of area median income.

Activity Number 4:

(1) Activity Name: **Neighborhood Stabilization Program Administration and Pre-Award Costs.**

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

The activities under NSP are General Program and NSP Administration, Public Information, Planning, Pre-award Costs, and administration costs for the following activities under NSP which include, but are not limited to, acquisition, clearance and demolition, homeownership assistance, construction of housing, residential rehabilitation, and acquisition rehabilitation

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

The administrative and pre-award costs will support activities that will meet the LMMH and LMMC (required counseling) national objectives under NSP. The LMMA objective will be met when providing acquisition and demolition activities. These are as defined under the NSP Notice or under CDBG if not covered.

(4) Projected Start Date: **The City of Glendale, Arizona was notified by HUD through e-mail and officially by mail to the Mayor, that NSP funding had been allocated to the City to address the effects of foreclosed and abandoned properties. The letter also provided the application deadline date, being December 1, 2008. It also referred to the Annual Action Plan Amendment process as the vehicle HUD had identified to apply for the funds and reiterated NSP's close relationship to the CDBG program and its regulations. Upon successful application, upfront costs to prepare and process the amendment, train staff, implement and administer the program, are eligible for reimbursement under the pre-award component of NSP. Staff had begun preliminary research into the Housing and Economic Stability Act of 2008 in August of 2008, which is where NSP was created.**

Pre-award, Environmental, and Administration costs are exempt activities under NEPA Environmental Review regulations for both NSP and CDBG.

(5) Projected End Date: **Activity will continue through commitment deadline and continue to be reinvested into NSP activities or as allowed by NSP regulations.**

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

The City of Glendale, Community Partnerships Department will implement the Neighborhood Stabilization Program through existing and new non-profit and for-profit partners. The division is located at 6829 North 58th Drive, Suite 104, Glendale, Arizona 85301.

Consultants may be utilized to ensure environmental compliance and to develop or modify existing processes to properly implement and administer NSP.

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

Glendale recently completed a comprehensive Strategic Housing Study that identifies where target properties are located by census tract. We also would target neighborhoods within our downtown redevelopment area that have community support. The specific zip codes are 85301, 85302, and 85303. These zip codes are supported by the HUD data used in creating the formula allocations.

(8) Activity Description:

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

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate:

For financing activities, include:

- range of interest rates

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

The NSP budget for administration will be the allowed 10% of the NSP allocation or \$618,411, and 10% of any program income. As with CDBG, any funds not used for administration will be reallocated into other NSP activities. Any local or CDBG funds used to cover NSP pre-award costs will be reimbursed once the amended Annual Action Plan is approved and the NSP grant agreement with HUD is executed.

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

It is anticipated that the City of Glendale, Arizona will meet or exceed its goals and objectives identified in each activity funded under the NSP.

CERTIFICATIONS

- (1) **Affirmatively furthering fair housing.** The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
- (2) **Anti-lobbying.** The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- (3) **Authority of Jurisdiction.** The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
- (4) **Consistency with Plan.** The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.
- (5) **Acquisition and relocation.** The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP program published by HUD.
- (6) **Section 3.** The jurisdiction will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- (7) **Citizen Participation.** The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.
- (8) **Following Plan.** The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.
- (9) **Use of funds in 18 months.** The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP Notice, all of its grant funds within 18 months of receipt of the grant.

(10) **Use NSP funds ≤ 120 of AMI.** The jurisdiction will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income.

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

(12) **Excessive Force.** The jurisdiction certifies that it has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

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

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

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

Signature/Authorized Official

Date

Title

NSP Substantial Amendment Checklist

For the purposes of expediting review, HUD asks that applicants submit the following checklist along with the NSP Substantial Amendment and SF-424.

Contents of an NSP Action Plan Substantial Amendment

Jurisdiction(s): <u>City of Glendale, Arizona</u> Lead Agency: <u>Community Revitalization Division, Community Partnerships Department</u> Jurisdiction Web Address: www.glendaleaz.com (URL where NSP Substantial Amendment materials are posted)	NSP Contact Person: <u>Gilbert Lopez</u> Address: <u>6829 N. 58th Drive, Suite 104 Glendale, Arizona 85301</u> Telephone: <u>623-930-3670</u> Fax: <u>623-435-8594</u> Email: glopez@glendaleaz.com
--	---

The elements in the substantial amendment required for the Neighborhood Stabilization Program are:

A. AREAS OF GREATEST NEED

Does the submission include summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction?

Yes No . Verification found on page ____.

B. DISTRIBUTION AND USES OF FUNDS

Does the submission contain a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures?

Yes No . Verification found on page ____.

Note: The grantee's narrative must address the three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

C. DEFINITIONS AND DESCRIPTIONS

For the purposes of the NSP, do the narratives include:

- a definition of "blighted structure" in the context of state or local law,
Yes No . Verification found on page ____.
- a definition of "affordable rents,"
Yes No . Verification found on page ____ (per HOME regulations.)
- a description of how the grantee will ensure continued affordability for NSP assisted housing,
Yes No . Verification found on page ____.

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

D. INFORMATION BY ACTIVITY

Does the submission contain information by activity describing how the grantee will use the funds, identifying:

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

E. SPECIFIC ACTIVITY REQUIREMENTS

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

If the activity includes acquisition of real property,

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

If the activity provides financing,

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

If the activity provides housing,

- duration or term of assistance,
Yes No . Verification found on page _____.
- tenure of beneficiaries (e.g., rental or homeownership),

Yes No . Verification found on page _____.

- does it ensure continued affordability?
Yes No . Verification found on page _____.
- does the applicant indicate which activities will count toward the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
- Yes No . Verification found on page _____.

F. LOW INCOME TARGETING

- Has the grantee described how it will meet the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
Yes No . Verification found on page _____.
- Has the grantee identified how the estimated amount of funds appropriated or otherwise made available will be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50% of area median income?
Yes No . Verification found on page _____.
Amount budgeted = \$____.

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

Does grantee plan to demolish or convert any low- and moderate-income dwelling units?

Yes No . (If no, continue to next heading)
Verification found on page _____.

Does the substantial amendment include:

- The number of low- and moderate-income dwelling units—i.e., $\leq 80\%$ of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities?
Yes No . Verification found on page _____.
- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., $\leq 120\%$ of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion)?
Yes No . Verification found on page _____.
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income?
Yes No . Verification found on page _____.

H. PUBLIC COMMENT PERIOD

Was the proposed action plan amendment published via the grantee jurisdiction’s usual methods and on the Internet for no less than 15 calendar days of public comment?

Yes No Verification found on page _____.

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

Yes No Verification found on page _____.

I. WEBSITE PUBLICATION

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

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

Website URL: _____

K. CERTIFICATIONS

The following certifications are complete and accurate:

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