

The NSP Application
For
Palm Beach County

Presented as the

20th AMENDMENT TO FY 2007-08 ACTION PLAN

Prepared by:

Palm Beach County
Department of Housing and Community Development
160 Australian Avenue, Suite 500
West Palm Beach, Florida 33406

November 2008

APPLICATION FOR FEDERAL ASSISTANCE

OMB Approved No. 3076-0006

Version 7/03

| | | | | |
|--|----------------------|--|--|---|
| 1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction | | <input type="checkbox"/> Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction | 2. DATE SUBMITTED 12/1/2008 | Applicant Identifier B-07-UC-12-0004 |
| | | | 3. DATE RECEIVED BY STATE | State Application Identifier |
| | | | 4. DATE RECEIVED BY FEDERAL AGENCY | Federal Identifier |
| 5. APPLICANT INFORMATION | | | | |
| Legal Name: Palm Beach County | | | Organizational Unit: Department: Housing and Community Development | |
| Organizational DUNS: 175302843 | | | Division: Planning | |
| Address: Street: 160 Australian Avenue, Suite 500 City: West Palm Beach County: Palm Beach State: FL Zip Code 33406 Country: USA | | | Name and telephone number of person to be contacted on matters involving this application (give area code) Prefix: Mr First Name: Edward Middle Name W. Last Name Lowery Suffix: | |
| 6. EMPLOYER IDENTIFICATION NUMBER (EIN): □□-□□□□□□□□ | | | Phone Number (give area code) 561-233-3602 | Fax Number (give area code) 561-233-3651 |
| 8. TYPE OF APPLICATION: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify) □ □ | | | 7. TYPE OF APPLICANT: (See back of form for Application Types) B Other (specify) | |
| 10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): Neighborhood Stabilization Program 1 4 - 2 1 8 | | | 9. NAME OF FEDERAL AGENCY: Department of Housing and Urban Development | |
| 12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): Countywide | | | 11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: NSP Activities, including: establishing financing mechanisms; purchase, rehabilitation, and sale of abandoned and foreclosed homes; redevelop demolished or vacant properties. | |
| 13. PROPOSED PROJECT Start Date: March, 1, 2009 Ending Date: September 30, 2007 | | | 14. CONGRESSIONAL DISTRICTS OF: a. Applicant 16, 19, 22, & 23 b. Project 16, 19, 22, & 23 | |
| 15. ESTIMATED FUNDING: | | | 16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS? | |
| a. Federal | \$ | 27,700,340.00 | a. Yes. <input checked="" type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE: | |
| b. Applicant | \$ | .00 | b. No. <input type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372 | |
| c. State | \$ | .00 | <input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW | |
| d. Local | \$ | .00 | 17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? | |
| e. Other | \$ | .00 | <input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No | |
| f. Program Income | \$ | .00 | | |
| g. TOTAL | \$ | 27,700,340.00 | | |
| 18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED. | | | | |
| a. Authorized Representative | | | | |
| Prefix Mr | First Name Robert | | Middle Name | |
| Last Name Weisman | | | Suffix | |
| b. Title County Administrator | | | c. Telephone Number (give area code) 561-233-3602 | |
| d. Signature of Authorized Representative  | | | e. Date Signed November 24, 2008 | |

Previous Edition Usable
Authorized for Local Reproduction

Standard Form 424 (Rev.9-2003)
Prescribed by OMB Circular A-102

The NSP Application

I. NSP General Application

Jurisdiction: **Palm Beach County**

Contact Person: Edward W. Lowery

Web Address: **www.pbcgov.com/hcd**

Address: 160 S. Australian Avenue,
Suite 500
West Palm Beach, FL 33406

Telephone: (561) 233-3602

Facsimile : (561)233-3651

Email: elowery@pbcgov.org

A. AREAS OF GREATEST NEED

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

Palm Beach County CDBG Entitlement Jurisdiction, includes twenty-nine municipalities which has inter-local agreements with the county and all of the unincorporated areas. The jurisdiction excludes the Cities of West Palm Beach, Boca Raton, Delray Beach and Boynton Beach.

In conformance with the requirements of Section 2301(c)(2) of HERA which stipulates that the NSP funds should be distributed to the areas of greatest needs, HCD has tabulated the following information to determine these areas: areas with the greatest percentage of home foreclosures; areas with the highest percentage of homes financed by a subprime mortgage related loan; identified by the County as likely to face a significant rise in the rate of home foreclosures and areas in the county with the highest concentration of low- and moderate –income persons. In terms of investing NSP funds, the County will prioritize areas which are largely impacted by two or more of the criteria used to assess “areas of greatest need”.

Generally, the data revealed that as of September 30, 2008, approximately one-third of all existing home loans in Palm Beach County were sub-prime loans and that there were 12,000 foreclosed upon properties in Palm Beach County. As it relates to the specific indicators used to determine the areas of greatest needs the following was discerned:

Areas with the Greatest Percentage of Home Foreclosures

Based on the table below which groups contiguous areas by zip codes and specific geographic locations, home foreclosures in Palm Beach County is concentrated in:

- The Village of Wellington, Loxahatchee Groves and surrounding unincorporated Palm Beach County (14.26%);

- Unincorporated Palm Beach County located S of 45th Street, E of Turnpike, W of I-95, and N of Lake Worth Road (12.34%);
- Royal Palm Beach and the Acreage (9.47%);
- Unincorporated Palm Beach County - S of Clint Moore Rd., E of Loxahatchee National Wildlife Refuge, W of I-95, and N of Broward County line (9.24%);
- The City of Greenacres and the surrounding unincorporated areas (7.28%);
- Unincorporated Palm Beach County - S of Boynton Beach Blvd, E of Loxahatchee National Wildlife Refuge, W of Military Trail, and N of Clint Moore Rd.(4.72%);
- Unincorporated Palm Beach County (including Golf) – S of Gateway Blvd., E of Loxahatchee National Wildlife Refuge, W of Congress Ave., and N of Atlantic Ave.(4.48%);
- Jupiter/Tequesta/Unincorporated Palm Beach County (4.29%); and
- Lake Worth (4.11%).

Number of Foreclosures in Palm Beach County CDBG Jurisdiction as of September 30, 2008

| Zip code | Geographic Locations | No. of Foreclosures | % of Total |
|----------------------------------|--|----------------------------|-------------------|
| 33414 33467 33470 | Wellington/Loxahatchee Groves/Unincorporated Palm Beach County | 1,708 | 14.26% |
| 33409 33413 33415 | Unincorporated Palm Beach County (including Westgate) - S of 45 th Street; E of Turnpike; W of I-95; and N of Lake Worth Road | 1,479 | 12.34% |
| 33411 | Royal Palm Beach/Acreage | 1,135 | 9.47% |
| 33428 33433 33434 33498 | Unincorporated Palm Beach County - S of Clint Moore Rd.; E of Loxahatchee National Wildlife Refuge; W of I-95; and N of Broward County line | 1,107 | 9.24% |
| 33463 | Greenacres/Unincorporated Palm Beach County | 872 | 7.28% |
| 33445 33446 33484 | Unincorporated Palm Beach County - S of Boynton Beach Blvd.; E of Loxahatchee National Wildlife Refuge; W of Military Trail; and N of Clint Moore Rd. | 566 | 4.72% |
| 33436 33437 | Unincorporated Palm Beach County (including Golf) – S of Gateway Blvd.; E of Loxahatchee National Wildlife Refuge; W of Congress Ave.; and N of Atlantic Ave. | 537 | 4.48% |
| 33458 33469 33477 | Jupiter/Tequesta/Unincorporated Palm Beach County | 514 | 4.29% |
| 33460 | Lake Worth | 493 | 4.11% |
| 33412 33418 | Unincorporated Palm Beach County (including the Acreage) – S of Loxahatchee Slough Natural Area; E of Seminole Platt Whitney Rd.; W of I-95; and N of Orange Blvd. | 473 | 3.94% |
| 33404 | Riviera Beach | 460 | 3.84% |
| 33461 | Lake Worth/Palm Springs/Unincorporated Palm Beach County | 399 | 3.33% |
| 33462 | Hypoluxo/Lantana/Atlantis/Manalapan/Unincorporated Palm Beach Cnty | 364 | 3.03% |
| 33417 | Haverhill/Unincorporated Palm Beach County | 352 | 2.93% |
| 33406 | Cloud Lake/Glen Ridge/Lake Clarke Shores/Unincorporated Palm Beach County | 294 | 2.45% |

| Zip code | Geographic Locations | No. of Foreclosures | % of Total |
|-----------------|--|----------------------------|-------------------|
| 33410 | Palm Beach Gardens | 280 | 2.33% |
| 33426 | Boynton Beach/Unincorporated Palm Beach County | 248 | 2.07% |
| 33483 33496 | Boca Raton/Unincorporated Palm Beach County | 225 | 1.87% |
| 33403 | Lake Park | 143 | 1.19% |
| 33408 | North Palm Beach/Juno Beach | 108 | 0.90% |
| 33478 | Unincorporated Palm Beach County (including Jupiter Farms) – S of Martin County line; E of I-95; W of Seminole Platt Whitney Rd.; and N of Loxahatchee Slough Natural Area | 94 | 0.78% |
| 33480 | Palm Beach/South Palm Beach | 56 | 0.46% |
| 33430 | Belle Glade/Unincorporated Palm Beach County | 41 | 0.34% |
| 33476 | Pahokee | 20 | 0.16% |
| 33493 | South Bay | 8 | 0.07% |
| 33438 | Canal Point/Unincorporated Palm Beach County | 1 | 0.008% |
| TOTAL | | 11,977 | 100% |

(not including those zip codes wholly within the boundaries of the Cities of West Palm Beach, Boca Raton, Boynton Beach and Delray Beach) Source: Realtytrac.com

Areas with the highest percentage of homes financed by a subprime mortgage related loan

In 2006, a total of 25,494 home loans were made to Palm Beach County residents by financial institutions, some 8,354 (or 32.8%) of these loans were subprime loans. The highest number of subprime loans was made in the following areas:

- Royal Palm Beach/Acreage (1,039);
- Unincorporated Palm Beach County - S of 45th Street, E of Turnpike, W of I-95, and N of Lake Worth Road (1,028);
- Wellington/Loxahatchee Groves and the surrounding unincorporated areas (960);
- Greenacres and the surrounding unincorporated areas (672);
- Unincorporated areas S of Clint Moore Rd, E of Loxahatchee National Wildlife Refuge, W of I-95, and N of Broward County line (658);
- Village of Golf and surrounding unincorporated areas- S of Gateway Blvd, E of Loxahatchee National Wildlife Refuge, W of Congress Ave, and N of Atlantic Ave. (537);
- Unincorporated areas - S of Boynton Beach Blvd, E of Loxahatchee National Wildlife Refuge, W of Military Trail, and N of Clint Moore Rd. (403).

The number of subprime loans located in these areas (5,291) constitutes 63.3% of all subprime loans in the County.

Number of Subprime Loans in Palm Beach County CDBG Jurisdiction

| Zip code | Geographic Locations | All Loans (2006) | Sub-Prime Loans (2006) | | | |
|----------------------------------|--|------------------|------------------------|-----------|----------------------------|-------------------------|
| | | | Number | % in Area | % of total County Subprime | % of Total County Loans |
| 33414 33467 33470 | Wellington/Loxahatchee Groves/ Unincorporated Palm Beach County | 3,018 | 960 | 31.8 | 11.5 | 3.8 |
| 33409 33413 33415 | Unincorporated Palm Beach County (including Westgate) - S of 45 th Street; E of Turnpike; W of I-95; and N of Lake Worth Road | 2,411 | 1,028 | 42.6 | 12.3 | 4.0 |
| 33411 | Royal Palm Beach/Acreage | 2,750 | 1,039 | 37.8 | 12.4 | 4.1 |
| 33428 33433 33434 33498 | Unincorporated Palm Beach County - S of Clint Moore Rd.; E of Loxahatchee National Wildlife Refuge; W of I-95; and N of Broward County line | 1,957 | 658 | 33.6 | 7.9 | 2.6 |
| 33463 | Greenacres/ Unincorporated Palm Beach County | 1,351 | 672 | 49.7 | 8.0 | 2.6 |
| 33445 33446 33484 | Unincorporated Palm Beach County - S of Boynton Beach Blvd.; E of Loxahatchee National Wildlife Refuge; W of Military Trail; and N of Clint Moore Rd. | 1,647 | 403 | 24.5 | 4.8 | 1.6 |
| 33436 33437 | Unincorporated Palm Beach County (including Golf) – S of Gateway Blvd.; E of Loxahatchee National Wildlife Refuge; W of Congress Ave.; and N of Atlantic Ave. | 2,279 | 531 | 23.3 | 6.4 | 2.1 |
| 33458 33469 33477 | Jupiter/Tequesta/ Unincorporated Palm Beach County | 1,473 | 259 | 17.6 | 3.1 | 1.0 |
| 33460 | Lake Worth | 609 | 258 | 42.4 | 3.1 | 1.0 |
| 33412 33418 | Unincorporated Palm Beach County (including the Acreage) – S of Loxahatchee Slough Natural Area; E of Seminole Platt Whitney Rd.; W of I-95; and N of Orange Blvd. | 1,359 | 314 | 23.1 | 3.8 | 1.2 |
| 33404 | Riviera Beach | 784 | 284 | 36.2 | 3.4 | 1.1 |
| 33461 | Lake Worth/Palm Springs/ Unincorporated Palm Beach County | 653 | 336 | 51.4 | 4.0 | 1.3 |
| 33462 | Hypoluxo/Lantana/Atlantis/Manalapan/ Unincorporated Palm Beach County | 667 | 272 | 40.8 | 3.3 | 1.1 |
| 33417 | Haverhill/ Unincorporated Palm Beach County | 569 | 248 | 43.6 | 3.0 | 1.0 |
| 33406 | Cloud Lake/Glen Ridge/Lake Clarke Shores/Unincorporated Palm Beach County | 789 | 369 | 46.8 | 4.4 | 1.5 |
| 33410 | Palm Beach Gardens | 744 | 136 | 18.3 | 1.6 | 0.5 |
| 33426 | Boynton Beach/ Unincorporated Palm Beach County | 673 | 205 | 30.5 | 2.4 | 0.8 |

| Zip code | Geographic Locations | All Loans (2006) | Sub-Prime Loans (2006) | | | |
|----------------|--|------------------|------------------------|-------------|----------------------------|-------------------------|
| | | | Number | % in Area | % of total County Subprime | % of Total County Loans |
| 33483 33496 | Boca Raton/ Unincorporated Palm Beach County | 833 | 137 | 16.4 | 1.6 | 0.5 |
| 33403 | Lake Park | 232 | 95 | 40.9 | 1.1 | 0.4 |
| 33408 | North Palm Beach/Juno Beach | 258 | 46 | 17.8 | 0.6 | 0.2 |
| 33478 | Unincorporated Palm Beach County (including Jupiter Farms) – S of Martin County line; E of I-95; W of Seminole Platt Whitney Rd.; and N of Loxahatchee Slough Natural Area | 138 | 39 | 28.3 | 0.5 | 0.15 |
| 33480 | Palm Beach/South Palm Beach | 181 | 17 | 9.4 | 0.2 | 0.07 |
| 33430 | Belle Glade/ Unincorporated Palm Beach County | 87 | 33 | 37.9 | 0.4 | 0.13 |
| 33476 | Pahokee | 22 | 10 | 45.4 | 0.1 | 0.04 |
| 33493 | South Bay | 7 | 4 | 57.1 | 0.05 | 0.02 |
| 33438 | Canal Point/ Unincorporated Palm Beach County | 3 | 1 | 33.3 | -- | -- |
| TOTAL | | 25,494 | 8,354 | 32.8 | 100.0 | 100.0 |

Areas of the County most likely to face a significant rise in the rate of home foreclosures

The table below was constructed by using data from HUD’s website specific to Palm Beach County. The table shows foreclosure abandonment risk score, by zip codes, throughout the Palm Beach County CDBG Entitlement Jurisdiction. Areas are ranked from one through ten which indicates areas where home foreclosures are least likely to occur to areas where foreclosures are most likely to occur. Areas attaining abandonment risk scores of seven and above were determined to be the ones which are critical for receipt of NSP funds.

The following areas attained a foreclosure abandonment risk score of ten:

- Haverhill including the surrounding unincorporated Palm Beach County;
- The Cities of Lake Worth and Palm Springs and the surrounding unincorporated Palm Beach County; and,
- Areas of unincorporated Palm Beach County located- S of 45th Street; E of Turnpike, W of I-95, and N of Lake Worth Road.

The following areas attained a foreclosure abandonment risk score of nine:

- Riviera Beach;
- Lake Park;
- Municipalities of Cloud Lake, Glen Ridge, Lake Clarke Shores, and the surrounding unincorporated Palm Beach County;

- Lake Worth;
- Greenacres and the surrounding unincorporated Palm Beach County.

The following areas attained a foreclosure abandonment risk score of eight:

- Royal Palm Beach and the surrounding Acreage area;
- Areas of the Acreage located – S of Loxahatchee Slough Natural Area, E of Seminole Platt Whitney Rd., W of I-95, and N of Orange Blvd.;
- The municipalities of Hypoluxo, Lantana, Atlantis, Manalapan, and the surrounding unincorporated Palm Beach County;
- Unincorporated Palm Beach County - S of Boynton Beach Blvd, E of Loxahatchee National Wildlife Refuge, W of Military Trail, and N of Clint Moore Rd;
- Boca Raton and the surrounding unincorporated areas;

The following areas attained a foreclosure abandonment risk score of seven:

- Jupiter, Tequesta and surrounding unincorporated Palm Beach County;
- Unincorporated Palm Beach County – S of Martin County line, E of I-95, W of Seminole Platt Whitney Rd, and N of Loxahatchee Slough Natural Area;
- North Palm Beach and Juno Beach;
- Wellington, Loxahatchee Groves and surrounding unincorporated Palm Beach County; and
- Palm Beach Gardens.

Areas Most Likely to face High Incidences of Foreclosures

| Zip code | Geographic Locations | Foreclosure Abandonment Risk Score (weighted average) |
|----------------------------------|--|--|
| 33458 33469 33477 | Jupiter/Tequesta/Unincorporated Palm Beach County | 7 |
| 33478 | Unincorporated Palm Beach County (including Jupiter Farms) – S of Martin County line; E of I-95; W of Seminole Platt Whitney Rd.; and N of Loxahatchee Slough Natural Area | 7 |
| 33408 | North Palm Beach/Juno Beach | 7 |
| 33404 | Riviera Beach | 9 |
| 33403 | Lake Park | 9 |
| 33410 | Palm Beach Gardens | 7 |
| 33414 33467 33470 | Wellington/Loxahatchee Groves/Unincorporated Palm Beach County | 7 |
| 33411 | Royal Palm Beach/Acreage | 8 |
| 33412 33418 | Unincorporated Palm Beach County (including the Acreage) – S of Loxahatchee Slough Natural Area; E of Seminole Platt Whitney Rd.; W of I-95; and N of Orange Blvd. | 8 |
| 33417 | Haverhill/Unincorporated Palm Beach County | 10 |
| 33406 | Cloud Lake/Glen Ridge/Lake Clarke Shores/Unincorporated Palm Beach County | 9 |
| 33409 33413 33415 | Unincorporated Palm Beach County (including Westgate) - S of 45 th Street; E of Turnpike; W of I-95; and N of Lake Worth Road | 10 |
| 33460 | Lake Worth | 9 |
| 33461 | Lake Worth/Palm Springs/Unincorporated Palm Beach County | 10 |
| 33462 | Hypoluxo/Lantana/Atlantis/Manalapan/Unincorporated Palm Beach County | 8 |
| 33463 | Greenacres/Unincorporated Palm Beach County | 9 |
| 33480 | Palm Beach/South Palm Beach | 4 |
| 33445 33446 33484 | Unincorporated Palm Beach County - S of Boynton Beach Blvd.; E of Loxahatchee National Wildlife Refuge; W of Military Trail; and N of Clint Moore Rd. | 8 |
| 33436 33437 | Unincorporated Palm Beach County (including Golf) – S of Gateway Blvd.; E of Loxahatchee National Wildlife Refuge; W of Congress Ave.; and N of Atlantic Ave. | 6 |
| 33426 | Boynton Beach/Unincorporated Palm Beach County | 5 |
| 33483 33496 | Boca Raton/Unincorporated Palm Beach County | 8 |
| 33428 33433 33434 33498 | Unincorporated Palm Beach County - S of Clint Moore Rd.; E of Loxahatchee National Wildlife Refuge; W of I-95; and N of Broward County line | 6 |
| 33430 | Belle Glade/Unincorporated Palm Beach County | 10 |
| 33476 | Pahokee | 9 |
| 33493 | South Bay | 8 |
| 33438 | Canal Point/Unincorporated Palm Beach County | 9 |

Areas of the County with High Concentration of Low- and Moderate-income Population

In addition to the three aforementioned criteria for determining the areas of greatest need for the expenditure of NSP funds, Palm Beach County has also decided to direct NSP funds to areas within the County with high concentrations of low- and moderate-income persons. The table below reflects the findings of the research and uses as the qualifying criteria a low- and moderate-income concentration of at least 51.0%. The following areas qualify:

- Unincorporated Palm Beach County - S of 45th Street, E of Turnpike, W of I-95, and N of Lake Worth Road;
- Greenacres and the surrounding unincorporated areas;
- Lake Worth;
- Riviera Beach;
- Hypoluxo, Lantana, Atlantis, Manalapan, and the surrounding unincorporated areas;
- Haverhill and the surrounding unincorporated areas;
- Lake Park; and
- The Glades area of the county, including Belle Glade, Pahokee, South Bay, Canal Point.

Areas of Low- and Moderate-Income Concentration

| Zip code | Geographic Locations | Low/Mod Pop | Total Pop | Low/Mod% |
|----------------------------------|--|-------------|-----------|----------|
| 33414 33467 33470 | Wellington/Loxahatchee Groves/Unincorporated Palm Beach County | 17,732 | 66,495 | 26.67% |
| 33409 33413 33415 | Unincorporated Palm Beach County (including Westgate) - S of 45 th Street; E of Turnpike; W of I-95; and N of Lake Worth Road | 19,314 | 31,994 | 60.37% |
| 33411 | Royal Palm Beach/Acreage | 13,710 | 46,142 | 29.71% |
| 33428 33433 33434 33498 | Unincorporated Palm Beach County - S of Clint Moore Rd.; E of Loxahatchee National Wildlife Refuge; W of I-95; and N of Broward County line | 20,592 | 64,421 | 31.96% |
| 33463 | Greenacres/Unincorporated Palm Beach County | 28,577 | 54,971 | 51.98% |
| 33445 33446 33484 | Unincorporated Palm Beach County - S of Boynton Beach Blvd.; E of Loxahatchee National Wildlife Refuge; W of Military Trail; and N of Clint Moore Rd. | 25,071 | 70,822 | 35.40% |
| 33436 33437 | Unincorporated Palm Beach County (including Golf) – S of Gateway Blvd.; E of Loxahatchee National Wildlife Refuge; W of Congress Ave.; and N of Atlantic Ave. | 9,990 | 34,722 | 28.77% |
| 33458 33469 33477 | Jupiter/Tequesta/Unincorporated Palm Beach County | 16,814 | 55,629 | 30.22% |
| 33460 | Lake Worth | 31,100 | 50,478 | 61.61% |
| 33412 33418 | Unincorporated Palm Beach County (including the Acreage) – S of Loxahatchee Slough Natural Area; E of Seminole Platt Whitney Rd.; W of I-95; and N of Orange Blvd. | 4,505 | 19,104 | 23.58% |
| 33404 | Riviera Beach | 17,618 | 27,254 | 64.64% |

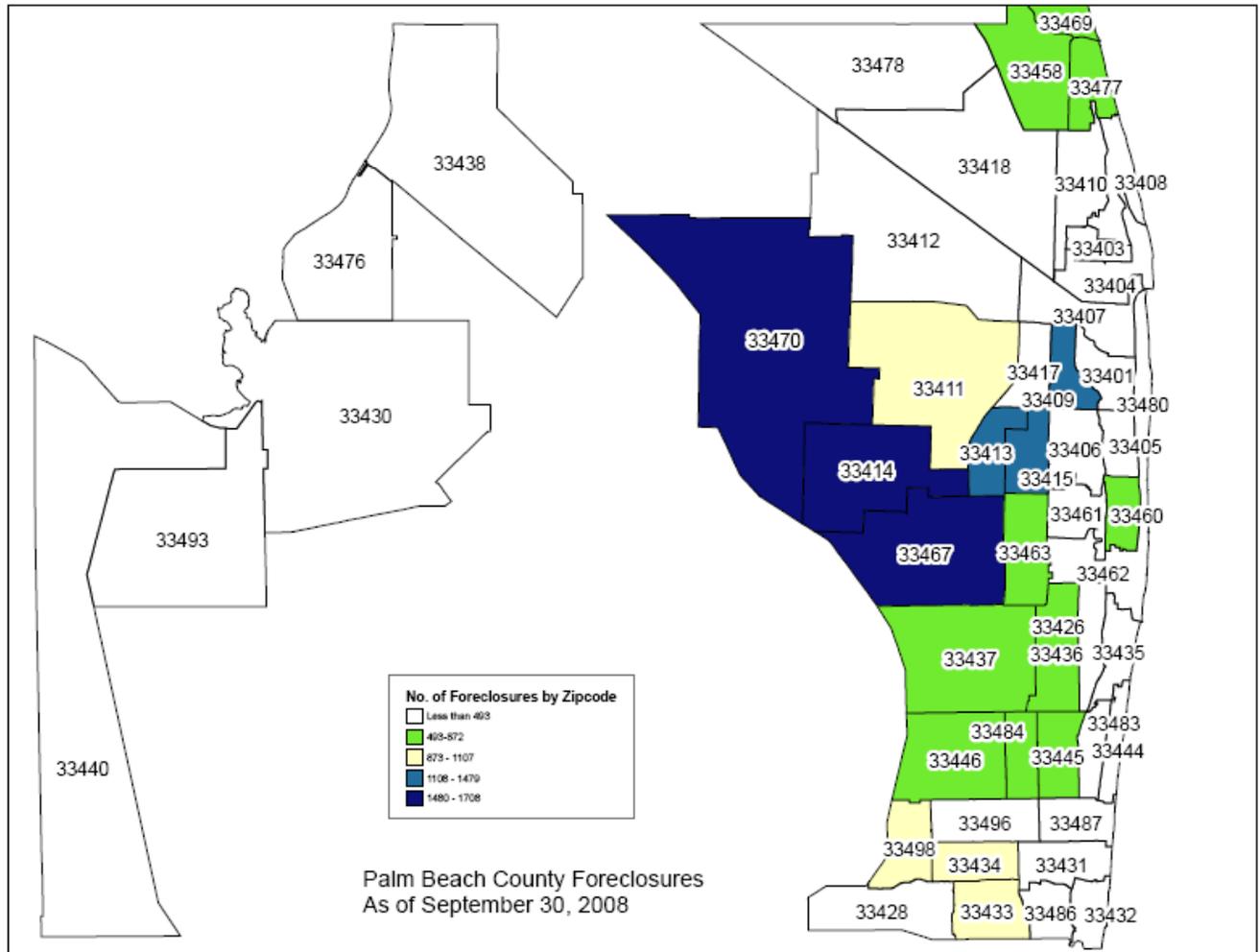
| Zip code | Geographic Locations | Low/Mod Pop | Total Pop | Low/Mod% |
|-----------------|--|--------------------|------------------|-----------------|
| 33461 | Lake Worth/Palm Springs/Unincorporated Palm Beach County | 24,555 | 53,452 | 45.93% |
| 33462 | Hypoluxo/Lantana/Atlantis/Manalapan/Unincorporated Palm Beach County | 11,390 | 20,489 | 55.59% |
| 33417 | Haverhill/Unincorporated Palm Beach County | 16,057 | 25,276 | 63.52% |
| 33406 | Cloud Lake/Glen Ridge/Lake Clarke Shores/Unincorporated Palm Beach County | 10,294 | 22,278 | 46.20% |
| 33410 | Palm Beach Gardens | 8,343 | 25,827 | 32.30% |
| 33426 | Boynton Beach/Unincorporated Palm Beach County | 1,979 | 6,237 | 31.73% |
| 33483 33496 | Boca Raton/Unincorporated Palm Beach County | 8,760 | 31,745 | 27.59% |
| 33403 | Lake Park | 10,759 | 19,138 | 56.21% |
| 33408 | North Palm Beach/Juno Beach | 4,092 | 15,596 | 26.23% |
| 33478 | Unincorporated Palm Beach County (including Jupiter Farms) – S of Martin County line; E of I-95; W of Seminole Platt Whitney Rd.; and N of Loxahatchee Slough Natural Area | 3,270 | 11,310 | 28.91% |
| 33480 | Palm Beach/South Palm Beach | 1,425 | 4,700 | 30.32% |
| 33430 | Belle Glade/Unincorporated Palm Beach County | 15,168 | 29,520 | 51.38% |
| 33476 | Pahokee | 6,382 | 8,578 | 74.39% |
| 33493 | South Bay | 4,141 | 5,138 | 80.59% |
| 33438 | Canal Point/Unincorporated Palm Beach County | 338 | 550 | 61.45% |
| TOTAL | | 331,976 | 801,866 | |

Selected Areas of Greatest Needs

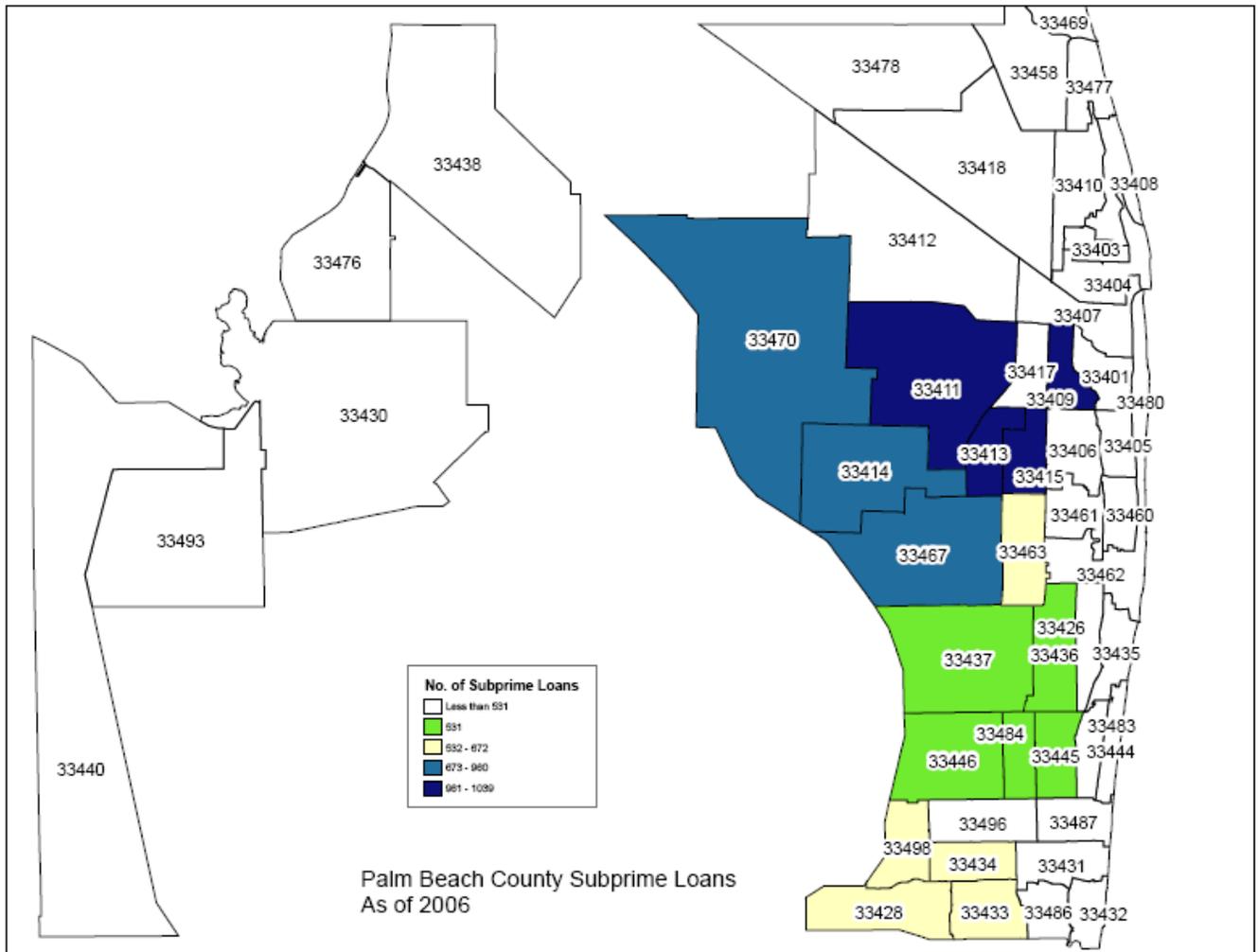
Based on the above analysis of factors to be considered when determining the “areas of greatest needs” the following zip codes/geographic areas are identified for expenditure of NSP funds.

| ZIP CODES | GEOGRAPHIC AREAS |
|----------------------------|---|
| 33414, 33467, 33470 | Wellington/ Loxahatchee Grove/Surrounding unincorporated Areas |
| 33409, 33413, 33415 | Unincorporated Palm Beach County (including Westgate) - S of 45 th Street; E of Turnpike; W of I-95; and N of Lake Worth Road. |
| 33411 | Royal Palm Beach/ Acreage |
| 33463 | Greenacres |
| 33445, 33446, 33484 | Unincorporated Palm Beach County - S of Boynton Beach Blvd.; E of Loxahatchee National Wildlife Refuge; W of Military Trail; and N of Clint Moore Rd. |
| 33428, 33433, 33434, 33498 | Unincorporated Palm Beach County - S of Clint Moore Rd.; E of Loxahatchee National Wildlife Refuge; W of I-95; and N of Broward County line |
| 33458, 33469, 33477 | Jupiter/Tequesta/Unincorporated Palm Beach County |
| 33436, 33437 | Unincorporated Palm Beach County (including Golf) – S of Gateway Blvd.; E of Loxahatchee National Wildlife Refuge; W of Congress Ave.; and N of Atlantic Ave. |
| 33460 | Lake Worth |
| 33404 | Riviera Beach |

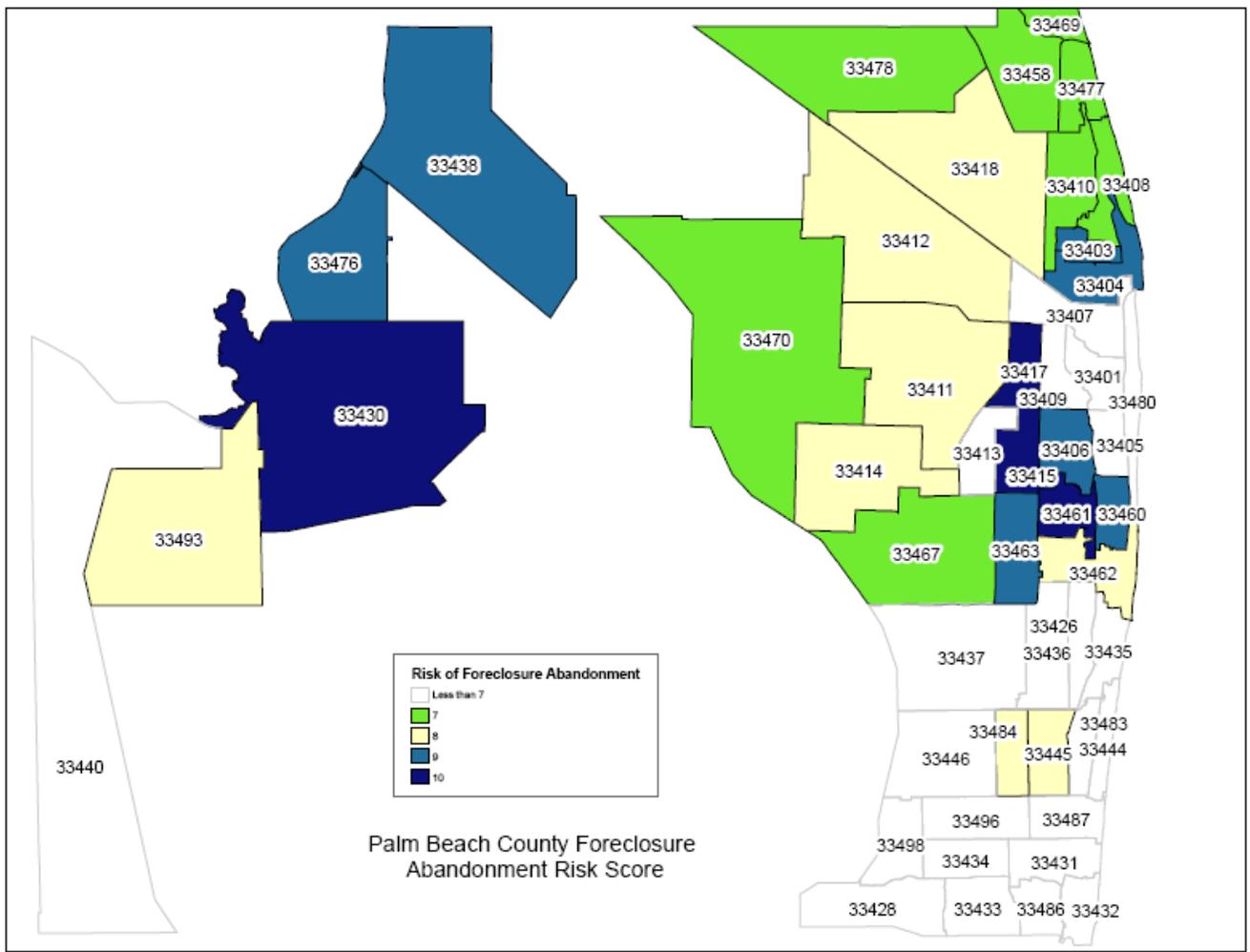
| ZIP CODES | GEOGRAPHIC AREAS |
|------------------|--|
| 33403 | Lake Park |
| 33417 | Haverhill |
| 33462 | Hypoluxo/Lantana/Atlantis/Manalapan/Unincorporated Palm Beach County |
| 33430 | Belle Glade |
| 33476 | Pahokee |
| 33493 | South Bay |
| 33438 | Canal Point |



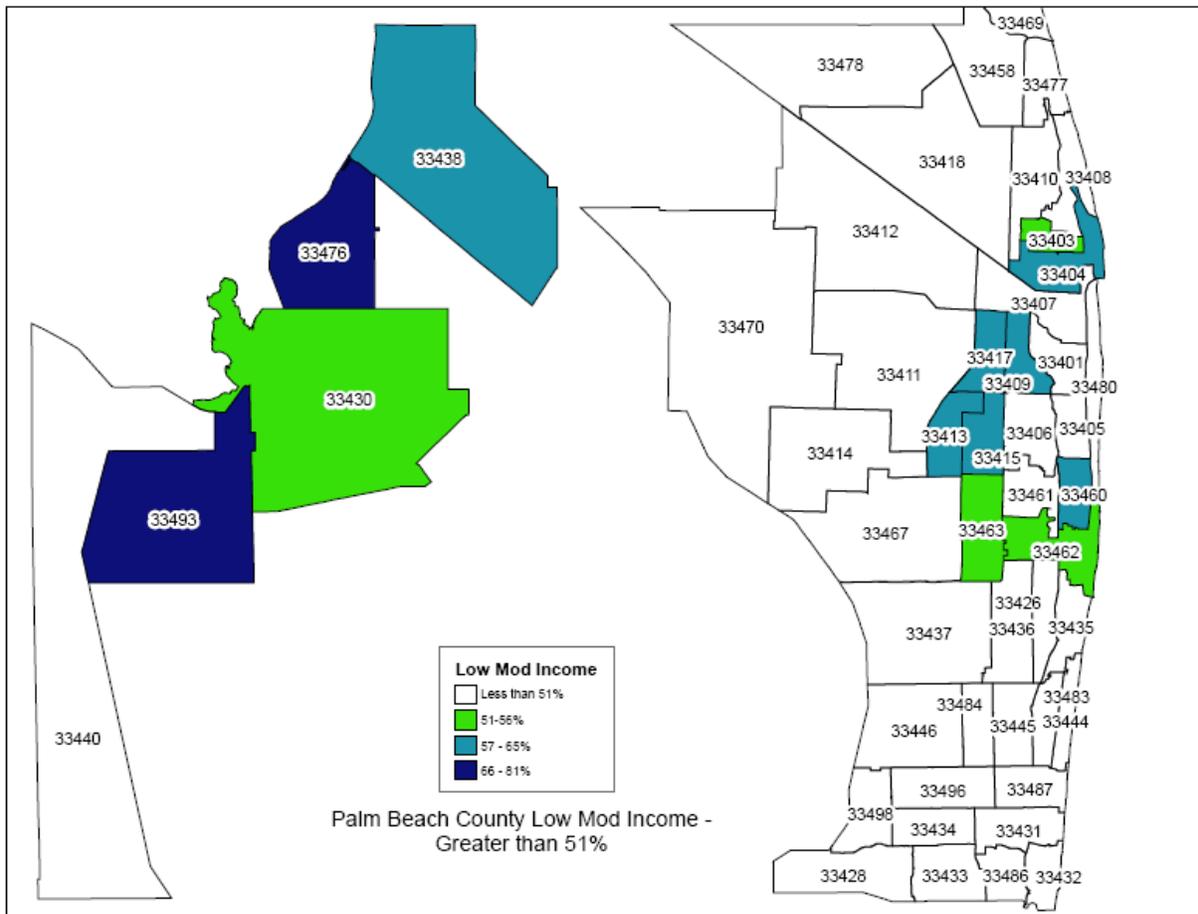
PALM BEACH COUNTY JURISDICTION FORECLOSURES AS OF SEPTEMBER 30, 2008



PALM BEACH COUNTY JURISDICTION SUB-PRIME LOANS AS OF 2006



PALM BEACH COUNTY JURISDICTION FORECLOSURE ABANDONMENT RISK SCORE



PALM BEACH COUNTY JURISDICTION LOW/MOD INCOME AREAS

B. DISTRIBUTION AND USES OF FUNDS

In Section A above, Palm Beach County identified its areas of greatest needs. This was done using data which was available on HUD's NSP website as well as on realtytrac.com. As required by Section 2301(c)(2) of HERA, the areas of greatest need was identified by tabulating data for the county, by zip code, to determine areas in the county's CDBG Entitlement Jurisdiction with:

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

Also, as allowed by the NSP Notice, Palm Beach County has added one other criteria, **viz:** areas with the greatest concentration of low- and moderate-income persons.

In implementing its NSP Program, Palm Beach County will undertake activities in areas within the entitlement jurisdiction where two or more of the above named factors have occurred or are likely to occur.

Specifically, Palm Beach County will utilize funds under four of the six eligible activities, these are provision of first or second mortgages directly by the county (financial mechanism); purchase, rehabilitation and sale of abandoned and foreclosed homes (to be undertaken by municipalities, public agencies and non-profit organizations); redevelop demolished or vacant properties; and administrative expenses. In undertaking the first or second mortgage program, the county will establish as one criteria the need for the property to be located in an area where at least two of the four factors used to identify areas of greatest need exist. The notice which will advertise this program will clearly identify the eligible geographic areas and prospective home buyers will be educated on these areas during the interview with county staff to assess their eligibility for participating in the program.

The same requirement will be assigned to the activity involving purchase, rehabilitation, and sale of abandoned homes which is proposed to be undertaken by municipalities, public agencies and non-profit organizations. Regarding municipalities, only those with areas where two or more of the four identified factors exist will be eligible to participate. These municipalities will be identified in the NOFA which will solicit participation in the program. Non-profits operating countywide will be advised of the constraints governing the geographic location of the properties to be acquired.

As far as is possible, Palm Beach County will require that any activity undertaken under the category to redevelop demolished or vacant properties be located in an area where at least two of the four criteria used to determine areas of greatest need exists.

C. DEFINITIONS AND DESCRIPTIONS

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

According to Senate Bill 2440, Approved by the Florida Senate in 2006, "Blighted" means, after inspection by the responsible authority, the property is found to be

dangerous to the health and safety of the public as a result of the condition of the property or structure upon it, or of growth or debris on the property.

Definition of “affordable rents.”

When determining affordable rent for any occupant of rental property purchased with NSP funds, Palm Beach County will utilize one of the following methodologies which are allowable under the HOME Program:

- The Fair Market Rent for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111. For Palm Beach County, the FY 2009, fair market rent as determined by HUD is as outlined on the chart below.

| | | | | | |
|--|-------------|------------|------------|------------|------------|
| West Palm Beach – Boca Raton, FL HMFA | 0 BR | 1BR | 2BR | 3BR | 4BR |
| | \$936 | \$1096 | \$1294 | \$1830 | \$1885 |

- A rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65 percent of Palm Beach County’s median income, as determined by HUD, with adjustments for number of bedrooms in the unit.
- A rent, including utilities, which does not exceed 30.0% of a household’s gross income.

The county will, in its agreement with the subrecipient, stipulate the methodology to be used and will conduct annual monitoring of projects and tenants to ensure proper maintenance of the units and continued affordability.

Description of how the County will ensure continued affordability for NSP assisted housing.

The County proposes to utilize NSP funds to finance two housing activities where ensuring continued affordability will be required. These are the County Operated Local Housing Trust Fund- Providing First and Second Mortgages and Purchase and the Acquisition and Rehabilitation of Homes and Residential Properties that have been Abandoned and Foreclosed by Non-Profit Agencies, Public Agencies and Municipalities.

The continued affordability of NSP assisted homes will be ensured through various mechanisms. The specific means is dependent on the entity which is undertaking the activity as described below:

- **County Operated First and Second Mortgage Program**
The continued affordability of units acquired with NSP funds under this program will be consistent with those used by the County in administering its HOME Investment Partnership Program (HOME Program).

If the property to be acquired is a privately owned residential unit the NSP assisted housing must meet the affordability requirements for at least 30 years and at all time during that period be the principal residence. HCD will ensure continued affordability

through the imposition of recapture provisions enforced through legal encumbrances on the title of the acquired property. This provision will ensure that the County recoups all of the NSP funds provided to the homebuyers, if the housing does not continue to be the principal residence of the family for the duration of the thirty (30) year affordability period.

- **Rental Units Acquired by Non-Profits and Public Agencies with NSP Funds**

If the property to be acquired is to be used as a rental property the affordability provisions which will be imposed shall require the units to be affordable for at least 20 years. This requirement meets the minimum requirement outlined under the HOME program. The affordability provision will be imposed by deed restrictions, covenants running with the land, or other mechanisms approved by HUD and Palm Beach County. The entire amount of the NSP award is required to be repaid if the title to the property is transferred via sale, deed or any other means.

If the property is being acquired by a Community Land Trust (CLT), its continued affordability will be guaranteed by the CLT Charter which requires it to provide affordable housing to all of its clients. Based on their Articles of Incorporation and Bylaws, the five CLTs in Palm Beach County are bound to serve only clients who are at 120% or below of the area median income. The County will reinforce this affordability requirement through deed restrictions and annual monitoring.

- **Residential Properties Acquired for Homeownership and lease-Purchase with NSP Funds by Non-Profits, Public Agencies and Municipalities**

The county will ensure that privately owned single-family housing units whose acquisition was assisted with NSP funds meet the affordability requirements for at least 30 years and at all time during that period be the principal residence of the owner. HCD will ensure continued affordability through the imposition of recapture provisions on each property. This provision will ensure that the County recoups all of the NSP funds provided to the homebuyers, if the housing does not continue to be the principal residence of the family for the duration of the thirty (30) year affordability period. CLTs will be required to ensure that the house will remain affordable for up to 99 years.

Description of housing rehabilitation standards that will apply to NSP assisted activities.

HCD will substantially utilize its existing CDBG rehabilitation policies when undertaking rehabilitation under the NSP Program. The only major change which is envisioned is that the eligible beneficiaries will be required to have income which is at or below 120% of the area median income under this program versus 80% of the AMI under the CDBG Program. All rehabilitation work done under this program will seek to upgrade the property to ensure compliance with applicable municipal, county and state housing and building standards to the extent that the repairs performed are practical and feasible.

D. LOW INCOME TARGETING

Palm Beach County will ensure that a minimum sum of \$6,925,085 or at least 25% of its total NSP award \$27,700,340 is expended on housing activities which will provide direct benefits to residents whose income is at or below 50% of the area median income. Specifically, 40% (\$5,138,324) of the \$12,845,811 earmarked to be used to fund the county initiated first/second mortgage program will be dedicated to purchase foreclosed upon homes for families whose incomes do not exceed 50 percent of area median income. Additionally, at least 40% (\$2,000,000) of the \$5,000,000 projected to be awarded to non-profits (CRAs, CLTs, CHDOs) and municipalities will be required 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.

E. ACQUISITIONS & RELOCATION

Palm Beach County does not intend to demolition or convert any low- and moderate-income dwelling units under this program (i.e., \leq 80% of area median income).

F. PUBLIC COMMENT

Palm Beach County Department of Housing and Community Development involved the public in the development of its NSP program by hosting one public meeting and one regular meeting of the Board of County Commissioners (BCC). The public meeting was held on October 23, 2008 and notice of this meeting was advertised in the Palm Beach Post newspaper on October 12, 2008 and October 19, 2008. Notice of this meeting was also posted on the County's website at <http://pbcgov.com/hcd/whatsnew.htm>

The BCC public meeting was held on November 18, 2009 and was held to discuss the Proposed Substantial Amendment to the FY 2007-08 Action Plan which comprised the County's application to HUD for NSP funding. The amendment was published in the Palm Beach Post Newspaper on November 2, 2008 and was also posted on the County's website. The published advertisement required a comment period of 15 days prior to its discussion at the BCC meeting. Evidence of publication of the two notices referred to above are provided at the end of this section. Comments were received from the public at each of the two meetings, also, members of the public provided written comments to HCD during the 15-day comment period. The following summarizes the comments which were received from the public:

a. Comments received at the Public Meeting on the NSP, October 23, 2008

- Some commentators supported Palm Beach County's creation of a lease to purchase program whereby eligible buyers who were unable to obtain mortgages at this time would be allowed to lease the formerly abandoned and foreclosed homes from the county with an option to purchase once they are able to do so;
- The Community Land Trust of Palm Beach County announced plans to offer a lease to purchase program;

- One non-profit agency voiced concerns about the magnitude of the allowable 10% for administration;
- Municipalities wanted to know if the NSP program would reimburse them for expenses incurred from maintaining foreclosed properties;
- One municipal representative stated his concern regarding the cumulative property tax revenue that is lost on foreclosed homes;
- Some commentators wanted NSP funds to be focused on providing housing and job creation for homeless veterans and persons with disabilities;
- NSP funds should be used to assist homeless initiatives;
- Commentators expressed their overall support for strong partnerships and collaboration between non-profit's, the private sector and governmental agencies in formulating plans for and implementing the NSP program;
- General inquiries received included questions pertaining to NSP funding eligibility, sources of information related to foreclosure statistics in Palm Beach County and geographic areas in which the funds may be used.

Actions to Address Comments

- HCD staff advised that it would consider allowing non-profits (which includes CLTs) especially non-profits to use NSP funds for lease to purchase arrangements.
- HCD insisted that it will not budget to use the entire 10% allowable for administration, just because it could be done. The administrative budget would be carefully developed based on itemized estimates. Based on staff's estimate the NSP application reflects administration cost of 8.5%.
- Municipalities were informed that they could not be reimbursed for currently maintaining foreclosed properties.
- Based on comments that funds be made to benefit the homeless, Palm Beach County in its draft substantial amendment, reserved \$7.5 million for the purchase and rehabilitation of homeless assessment centers.
- Palm Beach County advised that it would be working closely with municipalities, non-profit organizations, housing counseling agencies and the Boards of Realtors to undertake the NSP Program. The HCD Director requested that all of the above named entities cooperate with the county in this effort.
- At the time of this meeting Palm Beach County had not yet completed the exercise to determine the areas of greatest need. This information was provided in the draft substantial amendment.

b. Comments Received at the BCC Meeting, November 18, 2008

- Non-profit agencies serving the homeless overwhelmingly supported the use of NSP funds for the acquisition and redevelopment of facilities to be used as homeless assessment centers.
- One commentator requested that the amount allocated for use by non-profits should be increased since, especially in the case of the CLTs, the county could easily realize the program goal of ensuring that at least 25% of its allocation by used to benefit persons at or below 50% of the AMI. Also, the CLT would guarantee permanent affordability of the units;

- It was recommended that the criteria which required that homes to be acquired be built prior to 1978 be eliminated.
- Two members of the public supported the use of NSP funds for new construction of rental housing. This could be done jointly from funding provided by the State's tax Credit program.
- Many commentators supported the BCC's approval of the Action Plan Amendment as presented by staff.

Actions to Address Comments

- Responding to a request that the amount allocated for non-profits should be increased, the public was advised that if the need arises, this could be changed at a later date.
- The County removed the requirement for homes to be built post 1978 in order to qualify for purchasing under the Program.
- Staff decided not to include new construction of rental unit as an activity to be pursued under the redevelopment eligibility due to: the fact that the county had a very large amount of already built homes (both single-family and rental) which would qualify for acquisition under the program; and, the proposal to co-finance these developments with State Tax Credits would preclude commitment of funds within 18 months since the availability of the Tax Credit uncertain.

c. Other written Comments Received

Written correspondence received by HCD regarding the Neighborhood Stabilization Program included comments from Housing Authorities, various Housing groups and companies. Their comments included the following:

- \$7 million of NSP funds should be used to establish a competitive program where developers compete for funds to use with housing credit and for applicable tax exempt bonds;
- Use NSP funds for construction of affordable rental communities for families, the elderly, the homeless, the working poor and those with special needs;
- Allocate NSP funds at the maximum allowable level to assist low income residents by acquiring foreclosed homes to be used as rental housing;
- funds allocated in Category 'B' (Acquisition, rehab of housing by non-profits, municipalities) and 'E' (purchase and redevelopment of a public facilities) should not have restrictions on the amount to be used to create rental housing;
- Category 'A' funds (first and second mortgages) should not be in a converted condominium units or similar developments due likelihood of high association fees making it unaffordable to NSP beneficiaries;
- Category 'E' funds should not be used to build community resource centers or any such facilities for the homeless and any other public or non-residential facility;
- Palm Beach County should not enter into mortgage contracts as first place lien holder;
- Use NSP funds to fund qualified FHA\VA\RD or Fannie Mae\Freddie Mac eligible first mortgage loans and down payment assistance second mortgage loans as permanent financing for qualified homebuyers purchasing foreclosed\REO properties;

- Utilize the Housing Finance Authority's single family bond program to acquire portfolio of qualified first mortgages thereby allowing NSP funds to be recycled to acquire additional foreclosed homes;
- A timeline needs to be established to meet the 18 month goal for expending NSP funds, which focuses on matching eligible homebuyers with housing stock attained under the Neighborhood Stabilization Program;
- The Office of Community Revitalization stated their interest in working closely with HCD to focus NSP funds that would overlap in CCRT areas.
- Other general written correspondence was related to the need for Palm Beach County to identify key elements of a NSP proposal that included mortgage loans or bonds, such as considerations of loan servicing, interest rates and long-term affordability.

Actions to Address Comments

- Palm Beach County decided not to include new construction of rental units, financed by tax credits as part of the program due to reasons explained above.
- The participation of non-profits would allow special interest groups to access funds to provide permanent housing to their interest groups. Non-profits could also access rental family and by employing the affordability standard adopted by the county for this program, these will be available to low- and moderate-income persons.
- There are no restrictions imposed on the amount of funds from category which may be used to create rental units.
- Based on earlier overwhelming comments, HCD will use NSP funds to acquire and redevelop public facilities. The comment for not using the funds for this purpose is rejected.
- Palm Beach County will be instituting a first mortgage program. The comment for the County not to do so was considered and rejected.
- The county will explore the feasibility of using NSP funds to fund qualified FHA\VA\RD or Fannie Mae\Freddie Mac eligible first mortgage loans and down payment assistance second mortgage loans as permanent financing for qualified homebuyers purchasing foreclosed\REO properties. This is consistent with the use of funds proposed under Category A.
- The intricacies and uncertainty of the bond market would hinder the use of the Housing Finance Authority's single family bond program in conjunction with NSP funds to acquire portfolio of qualified first mortgages.

d. Written Comments Received as a result of Notices Posted on January 12, 2009 and January 16, 2009 to amend the NSP Application.

In a letter dated 1/30/2009, Housing Trust Group proposes that NSP funding be awarded as follows: a) competitively to private organizations for both rehabilitation and new construction, and b) some funds to be directly administered by the County to implement a 2nd Mortgage Program. The commenter asserts that his proposal would assist in the provision of 277 housing units at a cost of \$64,423/unit and would create 203 jobs and allowing some \$16.7 million of the overall County NSP Grant to remain in

the local economy. The commentor also sought to correct several misconceptions that staff expressed at the BCC November 18, 2008, meeting by stating that: funds can be used for new construction of rental unit; funds can be used for activities sponsored by for-profits; reasonable developer fees are eligible costs; there are inadequate amount of rental units on the market today; new construction project does not have to be completed in 18 months, the requirement is for the NSP funds to be used in that time. The commentor also implored the county to expend all of the funds approved for category A on first mortgages at 4% interest rate since will produce income of \$735,000 annually which could be used to fund affordable rental developments for the very-low income.

Pinnacle Housing Group comments were outlined to HCD in letter dated January 30, 2009. Their letter reiterated comments made in earlier correspondences to the county which were previously incorporated. The commentor pointed out that they had learnt that: new construction of rental units was eligible under Category E; For-profit sponsors were eligible to receive NSP funds; and developer fees were eligible expenses. The commentor also contends that rental housing must be part of any strategy to stabilize neighborhoods. In addition, Pinnacle stated that Palm Beach County staff incorrectly stated in “the NSP Plan that Housing Tax Credit-financed rental housing is not feasible for the next eighteen months because these tax credits are not available.” President Obama signed the Federal stimulus legislation (HR-1) that will likely make public and private capital available for the purchase of housing credits. The Pinnacle Housing Group also concurred with the NSP plan presented by Shawn Wilson of The Housing Trust Group.

In letter dated January 30, 2009, Allan Schnier of Hudson Housing Capital encouraged Palm Beach County to consider developing affordable rental communities. He pointed out that the NSP plan presented by Shawn Wilson of The Housing Trust Group stated that a rental community can address both housing and job creation needs in Palm Beach County. Further, Mr. Schnier disagreed with staff’s decision to exclude rental communities from the NSP Plan based on their uncertainty of the tax credit program. He pointed out that staff’s information used to make that decision may have been inaccurate.

Actions to Address Comments

HCD will explore using some of the income expected to be derived from the First mortgage program and other program funding to finance development of affordable rental units by for-profit entities. Also, if future Stimulus package Program funding is received, the use of these funds to address rental would be actively considered and collaboration with interested parties would take place to ensure the development of a viable and fully financed program.

Written comments on the proposed Amendment will be accepted by HCD at 160 Australian Avenue, Suite 500, West Palm Beach, FL 33406, until November 17, 2008.

Palm Beach County's Board of County Commissioners (BCC) will discuss the Neighborhood Stabilization Program and consider for approval this Amendment at a regular meeting to be held November 18, 2008. All interested parties are invited to attend. The BCC meeting is to be held as follows:

Location:
Palm Beach County Governmental Center
BCC Chambers (6th Floor)
301 North Olive Avenue
West Palm Beach, FL 33401

Time:
No time certain [BCC meetings begin at 9:30a.m.]

Date:
Tuesday, November 18, 2008

IN ACCORDANCE WITH THE PROVISIONS OF THE ADA, THIS AD CAN BE REQUESTED IN ALTERNATE FORMAT. AUXILIARY AIDS OR SERVICES WILL BE PROVIDED UPON REQUEST WITH AT LEAST THREE DAYS NOTICE (CONTACT HCD AT (561) 233-3616).

PUBLISH: November 2, 2008



NO. 3404880R
PUBLIC NOTICE
PALM BEACH COUNTY
DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM

On July 30, 2008 the United States Congress approved Public Law 110-289 – Title III of the Housing and Economic Recovery Act, 2008 (HERA), appropriating to the U.S. Department of Housing and Urban Development (HUD) funding for emergency assistance for the redevelopment of abandoned and foreclosed homes and residential properties. Through HERA's component Neighborhood Stabilization Program (NSP), a total of \$27,700,340 is available to the Palm Beach County CDBG Entitlement Jurisdiction (which includes the Cities of West Palm Beach, Boynton Beach, Delray Beach, and Boca Raton). In order to secure these funds, the County must prepare an Amendment to its Action Plan for FY 2007-08 to reflect its proposed NSP activities, and must submit a funding application to HUD no later than December 1, 2008.

HUD's Description, Neighborhood Stabilization Program.

The purpose of the Neighborhood Stabilization Program is to assist in the redevelopment of abandoned and foreclosed residential properties. All activities funded under the program must be used to provide benefits to individuals and families whose incomes do not exceed 120% of the median income. Activities meeting other CDBG National Objectives are not eligible for this funding. At least 25% of the grant must be expended on eligible activities that will provide housing for persons or families whose income is at or below 50% of the area median income. NSP eligible activities include: A) creation of financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties; B) purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon in order to re-sell, rent, or redevelop; C) establish land banks for homes that have been foreclosed upon; D) demolish blighted structures; and E) redevelop demolished or vacant properties.

Citizen Participation

In accordance with HUD requirements, all interested agencies and the general public were given the opportunity to comment before preparation of the proposed Amendment to the Action Plan. Earlier Public Notices of the NSP were published on October 12 and 19, 2008, in the Palm Beach Post. NSP information has been posted, and frequently updated, on HCD's website since mid-October, and HCD has made significant efforts to advise and involve local interested parties. In particular, much input was received via a public meeting sponsored by the Palm Beach County Commission on Affordable Housing Advisory Board held Thursday, October 23, 2008. Although many public comments were received at the meeting, the majority can be condensed into the following summary suggestions:

- Focus on the intent of HERA—stabilizing neighborhoods through actions to address abandoned and foreclosed residential properties, emphasizing the use of existing structures;
- Include activities to provide multi-family rental housing for low-income households, and very-low income households in particular;
- Include activities to acquire foreclosed single-family properties that are negatively impacting the neighborhoods in which they are located, as well as the local housing market as a whole;
- Partner with housing industry and related entities in NSP program design and implementation;
- Leverage NSP funds with other financing sources to maximize program impact;
- Implement the recommendations of the County's 10-year Plan to End Homelessness, including the needs of the homeless and other special populations; and
- Coordinate with providers of supportive services in program implementation in order to address NSP clients' needs in a comprehensive manner.

The proposed Amendment below outlines the County's proposed use of NSP funds and takes into consideration the public comments received.

Proposed Twentieth (20th) Amendment to the FY 2007-08 Action Plan

The total amount of NSP funds available to Palm Beach County for FY 2007-08 is \$27,700,340. The proposed Twentieth (20th) Amendment to the FY 2007-08 Action Plan entails the addition of four (4) NSP-funded activities as follows:

- 1) **NSP Eligibility Category A—Financing Mechanism for Purchase and Redevelopment of Foreclosed Upon Homes and Residential Properties.** HCD will utilize NSP funds to create a local housing trust fund offering first and/or second mortgages to individual income-eligible (<120% AMI) households seeking to acquire, with or without rehabilitation, foreclosed upon or abandoned homes that will be occupied as the buyer's primary residence. Estimated funding amount—\$12,845,811.
- 2) **NSP Eligibility Category B—Purchase and Rehabilitate Abandoned or Foreclosed Residential Properties in Order to Sell, Rent, or Redevelop.** HCD will make available NSP funds through a competitive application process for eligible entities to acquire, with or without rehabilitation, abandoned or foreclosed residential properties (single-family or multi-family) which must then either be re-sold to income-eligible homebuyers, or retained by the acquiring entity for rental to income-eligible renters at affordable rents, or occupied by income eligible households through lease-purchase agreements. It is anticipated that activity delivery expenses directly related to the NSP-funded acquisitions and carrying costs may be included. Estimated Funding Amount—\$5,000,000.
- 3) **NSP Eligibility Category E—Redevelop Demolished or Vacant Properties.** HCD will make available NSP funds through a competitive application process, or the BCC may choose to designate, eligible entities to acquire and redevelop demolished or vacant properties which must be redeveloped into a NSP/CDBG-eligible use (potentially including residential, public facilities, or mixed use) that serves the L/M income Benefit National Objective of the CDBG Program. Estimated Funding Amount—\$7,500,000.
- 4) **NSP Program Administration.** HCD will utilize NSP funding to accommodate the costs of general administration of the NSP Program, including staffing, equipment, environmental reports, overhead items, and indirect cost. These administration costs will be incurred over the multi-year period of the NSP—up to four (4) years. Estimated funding amount—\$2,354,529.

All NSP-funded activities will be located within the County's CDBG Program Jurisdiction, unless an activity located within an entitlement city is determined to generate reasonable benefits to residents of the County's Program Jurisdiction, and an interlocal agreement specific to the NSP activity is executed. Furthermore, all NSP-funded activities will serve the National Objective of benefiting low- and moderate-income persons (as modified by NSP to include up to 120% AMI). Per HUD regulations, activities to be funded under NSP will comply at a minimum with the affordability requirements of the HOME Program. At a minimum, rent limitations will follow the requirements of the HOME Program.

The NSP program described in the proposed Amendment is not yet finalized and activities and funding amounts identified therein are subject to modification, and require approval, by the Palm Beach County Board of County Commissioners (BCC).



NO. 3329869R

**PALM BEACH COUNTY HOUSING
AND COMMUNITY DEVELOPMENT (HCD)
NEIGHBORHOOD STABILIZATION PROGRAM
WORKSHOP NOTICE**

On July 30, 2008 the United States Congress approved Public Law 110-289 - Title III of the Housing and Economic Recovery Act, 2008(HERA). The Act appropriates funding for emergency assistance for the redevelopment of abandoned and foreclosed homes and residential properties. The **Neighborhood Stabilization Program** funds were awarded to CDBG entitlement communities based on each community's local foreclosure and abandonment rates. The Palm Beach County CDBG Entitlement Jurisdiction (which excludes the Cities of West Palm Beach, Boynton Beach, Delray Beach, and Boca Raton) has been awarded \$27,700,340. These funds will be accessed by way of an application submitted by Palm Beach County to the Federal Department of Housing and Urban Development (HUD) on or before December 1, 2008.

Neighborhood Stabilization Program.

The purpose of the Neighborhood Stabilization Program is to assist in the redevelopment of abandoned and foreclosed properties. All activities funded under the program must be used to provide benefits to individuals and families whose incomes do not exceed 120% of the median income. At least 25% of the grant must be expended on the purchase and redevelopment of abandoned or foreclosed residential properties that will be used to house persons or families whose income is at or below 50% of the area median income. Activities meeting other CDBG National Objectives are not eligible for this funding.

Eligible Activities:

- Primary and/or Secondary Mortgage Loan Assistance
- Purchase, Rehabilitation and Sale of Abandoned and Foreclosed Homes and Residential Properties
- Establishment of Land Banks
- Demolition of Blighted Structures
- Redevelopment of Demolished or Vacant Properties

Notice of Workshop

Palm Beach County's Commission on Affordable Housing (CAH) will be sponsoring a workshop to discuss the Neighborhood Stabilization Program and to solicit public input. All non-profits, public agencies, and other interested parties are invited to attend. The workshop is to be held:

Place: Building #509
3323 Belvedere Road
West Palm Beach, FL 33406

Time: 11:00 a.m.

Date: Thursday, October 23, 2008

IN ACCORDANCE WITH THE PROVISIONS OF THE ADA, THIS AD CAN BE REQUESTED IN ALTERNATE FORMAT. AUXILIARY AIDS OR SERVICES WILL BE PROVIDED UPON REQUEST, WITH AT LEAST THREE DAYS NOTICE (CONTACT HCD AT (561) 233-3660).

Publish: The Palm Beach Post; October 12, 2008 and October 19, 2008



NO. 3761372R

PALM BEACH COUNTY DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT REVISED NEIGHBORHOOD STABILIZATION PROGRAM PUBLIC NOTICE

On July 30, 2008 the United States Congress approved Public Law 110-289 - Title II of the Housing and Economic Recovery Act, 2008 (HERA), appropriating to the U.S. Department of Housing and Urban Development (HUD) funding for emergency assistance for the redevelopment of abandoned and foreclosed homes and residential properties. Through HERA's component Neighborhood Stabilization Program (NSP), a total of \$27,700,340 is available to the Palm Beach County CDHG Enforcement Jurisdiction (which excludes the Cities of West Palm Beach, Boynton Beach, Delray Beach, and Boca Raton). In order to secure these funds, the County submitted a funding application to HUD on December 1, 2008 which consisted of an Amendment to its Action Plan for FY 2007-08 reflecting its proposed NSP activities. This notice revises the ad published on November 2, 2008.

HUD Description: Neighborhood Stabilization Program

The purpose of the Neighborhood Stabilization Program is to assist in the redevelopment of abandoned and foreclosed residential properties. Funds are to be distributed to "areas of greatest need" which are to be identified by the jurisdiction using HUD's criteria. All activities funded under the program must be used to provide benefits to individuals and families whose incomes do not exceed 120% of the median income. Activities meeting other HUD National Objectives are not eligible for this funding. At least 25% of the grant must be expended on eligible activities that will provide housing for persons whose incomes are at or below 50% of the area median income. NSP eligible activities include: A) creation of financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties; B) purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon in order to re-sell, rent, or redevelop; C) establish land banks for homes that have been foreclosed upon; D) demolish blighted structures; and E) redevelop demolished or vacant properties.

Areas of Greatest Need

Section 2001(k)(2) of HERA stipulates that NSP funds should be distributed to "areas of greatest need." NSP Program regulations and the County's NSP funding application identified criteria to be used in identifying areas of greatest need, including:

- 1) areas with the greatest percentage of home foreclosures;
- 2) areas with the highest percentage of homes financed by a subprime mortgage related loan;
- 3) areas identified by the County as likely to face a significant rise in the rate of home foreclosures; and
- 4) areas in the county with the highest concentration of low- and moderate-income persons.

In accordance with NSP requirements, this Revised Public Notice identifies the areas of greatest need within the Palm Beach County program jurisdiction, defined by the County as meeting at least two (2) of the above four (4) criteria, as follows:

| ZIP CODES | GEOGRAPHIC AREAS OF GREATEST NEED |
|----------------------------|--|
| 33414, 33467, 33470 | Wallington/Laurelham/Grove/Surrounding unincorporated Areas |
| 33409, 33413, 33415 | Unincorporated Palm Beach County (including Westgate): S of 45 th Street; E of Turnpike; W of I-95; and N of Lake Worth Road |
| 33411 | Royal Palm Beach/Acreage |
| 33463 | Greenacres |
| 33445, 33444, 33484 | Unincorporated Palm Beach County: S of Boynton Beach Blvd., E of Loxahatchee National Wildlife Refuge, W of Military Trail, and N of Clint Moore Rd. |
| 33428, 33433, 33434, 33498 | Unincorporated Palm Beach County: S of Clint Moore Rd.; E of Loxahatchee National Wildlife Refuge; W of I-95; and N of Broward County line |
| 33458, 33469, 33477 | Jupiter/Tequesta/Unincorporated Palm Beach County |
| 33436, 33437 | Unincorporated Palm Beach County (including Ocala): S of Gateway Blvd.; E of Loxahatchee National Wildlife Refuge; W of Congress Ave. and N of Atlantic Ave. |
| 33460 | Lake Worth |
| 33404 | Riviera Beach |
| 33403 | Lake Park |
| 33417 | Hypowell |
| 33462 | Hypowell/Lantana/Alhambra/Manalapan/Unincorporated Palm Beach County |
| 33430 | Belle Glade |
| 33476 | Pahokee |
| 33493 | South Bay |
| 33498 | Canal Point |

To the fullest extent possible, Palm Beach County will require that any NSP-funded activity to redevelop demolished or vacant properties be located in an area of greatest need. The Amendment to the Action Plan below outlines the County's proposed use of NSP funds and takes into consideration the public comments received.

Twentieth (20th) Amendment to the FY 2007-08 Action Plan

The total amount of NSP funds available to Palm Beach County for FY 2007-08 is \$27,700,340. The Twentieth (20th) Amendment to the FY 2007-08 Action Plan entails the addition of four (4) NSP-funded activities as follows:

- 1) **NSP Eligibility Category A - Financing Mechanisms for Purchase and Redevelopment of Foreclosed Upon Homes and Residential Properties** HUD will utilize NSP funds to create a local housing trust fund offering first and/or second mortgages to individual income-eligible (<120% AMI) households seeking to acquire, with or without rehabilitation, foreclosed upon or abandoned homes that will be occupied as the buyer's primary residence. The maximum sales price of the home should not exceed \$280,000 and the average purchase price of each home purchased is expected to be approximately \$180,000. The purchase price of the property must be at least 12% below the appraised value of the property. Purchasers who earn 50% or less of the area median income will be required to provide a contribution of 1.0% of the sales price of the property. Purchasers earning more than 50% of the AMI will be required to provide a 2% contribution. HCD will provide first mortgages to prospective purchasers on an interest rate which will not exceed 4%. Mortgages will be provided in the form of 30 year loans, due on sale, transfer of life, or cessation of the property being the homeowner's primary residence. Upon approval for a mortgage, each home buyer will be required to attend HUD certified housing counseling. HCD will engage the services of HUD approved housing counseling agencies to have this service provided. If second mortgages are offered, the maximum amount will not exceed \$100,000. All second mortgages provided will be in the form of 30 year loans, due on sale, transfer of life, or cessation of the property being the homeowner's primary residence. The interest rate to be charged on all second mortgages will not exceed 4%. Estimated funding amount-\$12,846,811. At least 40% of the estimated funding will be earmarked to assist households whose incomes do not exceed 50% of AMI.
- 2) **NSP Eligibility Category B - Purchase and Rehabilitation of Abandoned or Foreclosed Residential Properties in Order to Sell, Rent, or Redevelop.** HCD will make available NSP funds through a competitive application process for eligible entities to acquire, with or without rehabilitation, abandoned or foreclosed residential properties (single-family or multi-family) which must then either be re-sold to income-eligible homebuyers (at or below the cost of acquisition), or retained by the acquiring entity for rental to income-eligible renters at affordable rents, or occupied by income-eligible households through lease-purchase agreements. The maximum sales price of a single-family home purchased under this activity should not exceed \$280,000. The purchase price of the property must be at least 15% below the appraised value of the property. All proceeds from the sale of the units will become program income and will either be returned to the county or be used to fund an activity which furthers the objective of the NSP Program. The County will ensure that privately owned single-family housing units whose acquisition was assisted with NSP funds meet the affordability requirements for at least 30 years and at all times during that period be the principal residence of the homebuyer. HCD will ensure continued affordability through the imposition of recapture provisions on each property. Failure to comply will result in the recovery of all of the NSP funds provided to the homebuyers, if the housing does not continue to be the principal residence of the family for the duration of the thirty (30) year affordability period. For rental property, the rate charged to renters should not exceed the Fair Market Rent for the county. If the property to be acquired is to be used as a rental property the affordability provisions which will be imposed shall require the units to be affordable for at least 20 years. The affordability provision will be imposed by deed restrictions, covenants running with the land, or other mechanisms approved by HUD and Palm Beach County. The eligible entity will be allowed to establish interest rates on loans and any downpayment requirements under its program. Estimated Funding Amount-\$5,000,000. At least 40% of the estimated funding will be earmarked to assist households whose incomes do not exceed 50% of AMI.

- 3) **NSP Eligibility Category C - Redevelop Demolished or Vacant Properties.** The Palm Beach County Board of County Commissioners (BCC) has designated that NSP funds be used to acquire, rehabilitate and redevelopment of at least one facility to be used as a neighborhood resource center, within the vicinity of the City of West Palm Beach. The purchase price of the property must be at least 15% below the appraised value of the property. The center will provide initial service and short term housing to an estimated 1,765 homeless persons who resides in Palm Beach County. Estimated Funding Amount-\$7,500,000.

- 4) **NSP Program Administration** HCD will utilize NSP funding to accommodate the costs of housing counseling services, and general administration of the NSP Program, including staffing, equipment, environmental reports, overhead items, and indirect cost. These administration costs will be incurred over the multi-year period of the NSP--up to four (4) years. Estimated funding amount-\$2,354,529.

All NSP-funded activities will be located within the County's CDHG Program Jurisdiction, unless an activity located within an enforcement city is determined to generate reasonable benefits to residents of the County's Program Jurisdiction, and an interlocal agreement specific to the NSP activity is executed. Furthermore, all NSP-funded activities will serve the National Objective of benefiting low- and moderate-income persons (as modified by NSP to include up to 120% AMI). The HUD regulations, activities to be funded under NSP will comply with a minimum with the affordability requirements of the HOME Program. At a minimum, rent limitations will follow the requirements of the HOME Program.

CITIZEN INPUT

Written comments on this Notice will be accepted by HCD at 160 Australian Avenue, Suite 200, West Palm Beach, FL 33409, until January 27, 2009.

Public comments were sought before and during the preparation of the Amendment to the Action Plan. Earlier Public Notices of the NSP were published on October 12 and 19, 2008, in the Palm Beach Post. NSP information has been posted, and frequently updated, on HCD's website since mid-October and HCD has made significant efforts to advise and involve local interested parties. The proposed use of funds was published on November 2, 2008. A BCC public meeting was held on November 18, 2008. A public notice revising the November 2nd ad was published on November 28, 2008. In addition, substantial public input was received via a public meeting sponsored by the Palm Beach County Commission on Affordable Housing Advisory Board held Thursday, October 23, 2008. Although many public comments were received at this meeting, the majority can be condensed into the following summary suggestions:

- Focus on the intent of HERA--stabilizing neighborhoods through actions to address abandoned and foreclosed residential properties, emphasizing the use of existing structures;
- Include activities to provide multi-family rental housing for low-income households, and very-low income households in particular;
- Include activities to acquire foreclosed single-family properties that are negatively impacting the neighborhoods in which they are located, as well as the local housing market as a whole;
- Partner with housing industry and related entities in NSP program design and implementation;
- Leverage NSP funds with other financing sources to maximize program impact;
- Implement the recommendations of the County's 10-year Plan to End Homelessness, including the needs of the homeless and other special populations; and
- Coordinate with providers of supportive services in program implementation in order to address NSP clients' needs in a comprehensive manner.

All public comments will be considered.

IN ACCORDANCE WITH THE PROVISIONS OF THE ADA, THIS AD AND DOCUMENTS LISTED ABOVE MAY BE REQUESTED IN AN ALTERNATE FORMAT. PLEASE CONTACT HCD AT (561) 233-3616.

PUBLISH: January 12, 2009



NO. 3776451R
PALM BEACH COUNTY
DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT
REVISED NEIGHBORHOOD STABILIZATION
PROGRAM PUBLIC NOTICE

This ad amends the revised Neighborhood Stabilization Program public notice which was published on January 12, 2009 (Twentieth (20th) Amendment to the FY 2007-08 Action Plan). This specific amendment changes the following:

NSP Eligibility Category E – Redevelop Demolished or Vacant Properties The Palm Beach County Board of County Commissioners (BCC) has designated that NSP funds be used to acquire, rehabilitate and redevelopment at least one facility to be used as a neighbourhood resource center, within the vicinity of the City of West Palm Beach. The purchase price of the property must be at least 15% below the appraised value of the property. The center will provide initial service and short term housing to an estimated 1,766 homeless persons who resides in Palm Beach County. Estimated Funding Amount--\$7,500,000.

This category has been changed to read as follows:

NSP Eligibility Category E – Redevelop Demolished or Vacant Properties The Palm Beach County Board of County Commissioners (BCC) has designated that NSP funds be used to acquire, and/or rehabilitate and redevelop at least one facility to be used as a neighbourhood resource center, within the vicinity of the City of West Palm Beach. If NSP funds are used to acquire the property, the purchase price of the property must be at least 15% below the appraised value of the property. The center will provide initial service and short term housing to an estimated 1,766 homeless persons who resides in Palm Beach County. Estimated Funding Amount--\$7,500,000.

Written comments on the original notice would have expired on January 27, 2009. This comment period has been extended to January 31, 2009. Public comments will be accepted by HCD at 160 Australian Avenue, Suite 500, West Palm Beach, FL 33406.

IN ACCORDANCE WITH THE PROVISIONS OF THE ADA, THIS AD AND DOCUMENTS LISTED ABOVE MAY BE REQUESTED IN AN ALTERNATE FORMAT. PLEASE CONTACT HCD AT (561) 233-3616.

PUBLISH: Palm Beach Post; January 16, 2009

II. NSP Specific Activity Information

A. Activity Name:

County Operated Local Housing Trust Fund- Providing First and Second Mortgages

B. Activity Type:

NSP Eligibility- Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties.

CDBG Eligibility- Acquisition (24 CFR 570.201(a)

Disposition (24 CFR 570.201(b)

Direct homeownership assistance (24 CFR 570.201(n)

Eligible rehabilitation and preservation activities 24 CFR 570.202

C. National Objective:

The activity will meet the low- and moderate-income housing national objective (24 CFR 570.208(a)(3). As required by HERA, households to be assisted should not have income which is greater than 120% of the area median income.

D. Projected Start Date: **March 2009**

E. Projected End Date: **September 2010**

F. Responsible Organization: (Include name and address)

**Palm Beach County Department of Housing and Community Development
160 Australian Avenue, Suite 500
West Palm Beach, Florida 33406**

G. Location Description:

The activity will take place in areas of the county identified as “areas of greatest need” in Section A of this application. As specified under that section, an area will qualify if it is determined to be largely impacted by two or more of the four criteria used to assess “areas of greatest need”.

H. Activity Description:

HCD will implement a “Local Housing Trust Fund” to provide first and/or second mortgage assistance utilizing NSP funds. This program would be implemented by HCD’s Commission on Affordable Housing (CAH). Eligible families would be required to locate homes which have been foreclosed upon and complete all negotiations with the bank or financial institution which owns the property (including a discount of at least 15% on the appraised value of the property). The maximum sales price of the home should not exceed \$280,000 and the average

purchase price of each home purchased is expected to be approximately \$180,000.

Purchasers who earn 50% or less of the area median income will be required to provide a contribution of 1.0% of the sales price of the property. Purchasers earning more than 50% of the AMI will be required to provide a 2% contribution. HCD will provide first mortgages to prospective purchasers at an interest rate which will not exceed 4%. Mortgages will be provided in the form of 30 year loans, due on sale, transfer of title, or cessation of the property being the homeowner's primary residence. Upon approval for a mortgage, each home buyer will be required to attend HUD certified housing counseling. HCD will engage the services of HUD approved housing counseling agencies to have this service provided. Based on the \$12.85 million recommended allocation and the average NSP first mortgage of \$180,000, it is estimated that approximately 70 households will be assisted.

If second mortgages are offered, the maximum amount will not exceed \$100,000. It is also recommended that all second mortgages provided be in the form of 30 year loans, due on sale, transfer of title, or cessation of the property being the homeowner's primary residence. The interest rate to be charged on all second mortgages will not exceed 4%. Upon approval of a NSP second mortgage, each home buyer will be required to attend HUD certified housing counseling. HCD will engage the services of HUD approved housing counseling agencies to have this service provided to the NSP second mortgage recipients.

Program income received from the repayment of these loans will be used to fund other eligible activities under the NSP.

All housing units acquired under this program will be required to be located in an area designated as "areas of greatest need" identified in section A of this application.

At least 40% (\$5,138,324) of the \$12,845,811 earmarked to fund this activity will be dedicated to funding the purchase and rehabilitation of foreclosed upon and abandoned homes for households whose incomes do not exceed 50 percent of area median income. This should result in at least 29 of the estimated 70 homes to be acquired under this program, being purchased for this income group.

The continued affordability of the properties purchased will be ensured via deed restrictions which will require each NSP assisted housing unit to meet the affordability requirements for at least 30 years and at all times during that period, be the principal residence of the borrower. HCD will ensure continued affordability through the imposition of recapture provisions. These provisions will ensure that the County recoups all of the NSP funds provided to the homebuyers, if the housing does not continue to be the principal residence of the family for the duration of the thirty (30) year affordability period.

I. Budget:

A sum of \$12,845,811 will be allocated for this activity.

J. Performance Measures

Approximately seventy houses will be acquired and rehabilitated by eligible homebuyers. Twenty-nine of these units are guaranteed to be sold to households with income that is at or below 50% of the area median income (low-income households), the remaining forty-one units will be sold to households whose income is between 51.0 % and 120.0% of the area median income (moderate and middle-income households).

II. NSP Specific Activity Information

A. Activity Name:

Purchase and Rehabilitation of Homes and Residential Properties that have been Abandoned and Foreclosed by Non-Profit Agencies, Public Agencies and Municipalities.

B. Activity Type:

NSP Eligibility- Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon in order to sell, rent or redeveloped such homes and properties.

CDBG Eligibility- Acquisition (24 CFR 570.201(a)

Disposition (24 CFR 570.201(b)

Direct homeownership assistance (24 CFR 570.201(n)

Eligible rehabilitation and preservation activities 24 CFR 570.202

C. National Objective:

The activity will meet the low- and moderate-income housing national objective (24 CFR 570.208(a)(3).

D. Projected Start Date:

March 2009

E. Projected End Date:

September 2010

F. Responsible Organization:

Community Land Trusts, Community Housing Development Organizations, Community Revitalization Areas, Other Non-Profit Agencies, Public Agencies and Municipalities with inter-local agreements with Palm Beach County. The above named entities will be eligible to receive funding based on a successful response to a County issued NOFA/RFP. The County's FY 2007-08 Action Plan will be amended to include the specific agencies funded and the amount of funding allocated once these are known.

G. Location Description:

The activity will take place in areas of the county identified as "areas of greatest need" in Section A of this application. As specified under that section, an area will qualify if it is determined to be largely impacted by two or more of the four criteria used to assess "areas of greatest need".

H. Activity Description:

This activity will involve the purchase and rehabilitation of abandoned and foreclosed residential properties, to be resold or rented to eligible potential homebuyers or renters. The purchase price of a single-family home purchased under this activity should not exceed \$280,000. Municipalities with inter local agreements with Palm Beach County, Public Agencies, CLTs, CHDOs, CDCs, CRAs and other non-profit organizations which are located and operate within the Palm Beach County CDBG Entitlement Jurisdiction will be invited to respond to a RFP/NOFA to undertake this activity.

All units acquired under this program must be located in an “area of greatest need” as determined in Section A of this application. The entity will be responsible for identification of the units and ensuring that the purchase price conforms to the NSP program’s “purchase discount” requirement, with a discount of at least 15% of the appraised value of the property. It is estimated that approximately 27 potential home buyers will benefit. The program will allow the funds to be used to purchase properties for homeownership, for lease/purchase or for rental. Each prospective homebuyer/renter will be required to attend a housing counseling session conducted by a HUD approved housing counseling agency which has been identified by the county. For rental property, the rate charged to renters should not exceed the Fair Market Rent for the county.

All housing units acquired under this program will be sold or rented to eligible households at or below the cost of acquisition or at affordable rent. All proceeds from the sale of the units will become program income and will either be returned to the county or be used to fund an activity which furthers the objective of the NSP Program. If the property to be acquired is to be used as a rental property the affordability provisions which will be imposed shall require the units to be affordable for at least 20 years. The affordability provision will be imposed by deed restrictions, covenants running with the land, or other mechanisms approved by HUD and Palm Beach County. The entire amount of the NSP award is required to be repaid if the title to the property is transferred via sale, deed or any other means. If the property is being acquired by a Community Land Trust (CLT), its continued affordability will be guaranteed by the CLT Charter which commonly requires units to be affordable for a period of 99 years. The County will reinforce this affordability requirement through deed restrictions and annual monitoring.

The County will ensure that privately owned single-family housing units whose acquisition was assisted with NSP funds meet the affordability requirements for at least 30 years and at all times during that period be the principal residence of the homebuyer. HCD will ensure continued affordability through the imposition of recapture provisions on each property. These provisions will ensure that the County recoups all of the NSP funds provided to the homebuyers, if the housing does not continue to be the principal residence of the family for the duration of the thirty (30) year affordability period.

At least 40% (\$2,000,000) of the \$5,000,000 projected to be awarded to non-profits (CRAs, CLTs, CHDOs) and municipalities under this activity will be required 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 and approximately eleven of the twenty-seven units to be acquired will go to this income group.

I. Budget:

A sum of \$5,000,000 will be allocated for this activity.

J. Performance Measures

A total of twenty-seven houses will be acquired, rehabilitated and resold to eligible homebuyers or rented to eligible renters. Eleven of these units are guaranteed to be sold or rented to persons that are at 50 percent of the area median income or below, the remaining sixteen units will be sold or rented to households who are between 51.0% and 120.0 % of the area median income.

II. NSP Specific Activity Information

A. Activity Name:

Acquisition and/or Rehabilitation of Homeless Resource Center

B. Activity Type:

NSP Eligibility- Redevelop demolish or vacant properties

CDBG Eligibility- Public Facilities Improvements 24 CFR 570.201(c)

C. National Objective:

The activity will meet the low- and moderate-income limited clientele national objective (24 CFR570.208(a)(2)(i)(A)) – Homeless persons are presumed to be L/M income.

D. Projected Start Date:

March 2009

E. Projected End Date:

August 2010

F. Responsible Organization:

Board of County Commissioners

Palm Beach County

301 North Olive Avenue

West Palm Beach, Florida 33401

G. Location Description:

The facility to be acquired and/or redeveloped will be located in eastern Palm Beach County, preferably in the vicinity of the City of West Palm Beach.

H. Activity Description:

The activity involves the acquisition and/or rehabilitation and redevelopment of at least one property to be owned by Palm Beach County for use as a homeless resource center. The center will provide initial service and short term housing to an estimated 1,766 homeless persons who resides in Palm Beach County. If NSP funds are used to acquire the facility, it will be purchased at no more than 85% of its appraised value. The facility will be located in an area of the County which, based on the data gathered and presented in Section A of this application, is determined to be ‘area of greatest need’.

I. Budget:

The budget for this activity is \$7,500,000.

J. Performance Measures

At least one facility will be acquired and/or redeveloped for use as a homeless resource center.

II. NSP Specific Activity Information

A. Activity Name:

General Administration & Planning Costs

B. Activity Type:

**Eligibility- Eligible Planning Activities 24 CFR 570.205
- Program Administration Costs-24 CFR 570.206**

C. National Objective:

N/A

D. Projected Start Date:

October 2008 (cost incurred for attending HUD training and program planning and design started in October 2008)

E. Projected End Date:

Estimated to be August 2010, that is 18 months after receipt of agreement from HUD

F. Responsible Organization: (Include name and address)

**Palm Beach County
Department of Housing and Community Development
160 Australian Avenue, Suite 500
West Palm Beach, Florida 33406**

G. Location Description:

**Palm Beach County
Department of Housing and Community Development
160 Australian Avenue, Suite 500
West Palm Beach, Florida 33406**

H. Activity Description:

The activity includes the funding of general administration and planning costs, provision of housing counseling services and environmental reviews and appraisals. Funds will be used to cover recurrent costs (salaries and benefits) associated with the planning and implementation of the County's NSP Program including costs associated with the implementation of a county operated first mortgage program. Specifically, the following will be provided for: at least two additional staff persons, project implementation/administration by staff of the Commission on Affordable Housing (CAH), related office space, furniture, and equipment for additional staff, CAH staff training, office supplies, appraisals, environmental reviews, inspections, County indirect and direct costs, acquisition and maintenance of two motor vehicles, among other costs.

These costs also include the services provided by HUD approved housing counseling agencies engaged by HCD.

I. Budget:

The budget for the activity is 8.5% of the total NSP award of \$27,700,340 or \$2,354,529.

J. Performance Measures

Approximately at least 100 households will be assisted to purchase homes also which have been foreclosed upon and abandoned. HCD will also oversee any necessary repairs that may be required. At least 40 of the benefitting households will have income which 50% or below the area AMI. The remainder will have income which is between 50% and 120% of the AMI. Funding of the homeless resource center which is estimated to serve 1,766 homeless persons will also incur administrative cost.

III. CERTIFICATIONS

- (1) **Affirmatively furthering fair housing.** The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
- (2) **Anti-lobbying.** The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- (3) **Authority of Jurisdiction.** The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
- (4) **Consistency with Plan.** The housing activities to be undertaken with NSP funds are consistent with its consolidated plan.
- (5) **Acquisition and relocation.** The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP program published by HUD.
- (6) **Section 3.** The jurisdiction will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- (7) **Citizen Participation.** The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.
- (8) **Following Plan.** The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.
- (9) **Use of funds in 18 months.** The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using all of its grant funds within 18 months of receipt of the grant.
- (10) **Use NSP funds \leq 120 of AMI.** The jurisdiction will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose income does not exceed 120 percent of area median income.
- (11) **Excessive Force.** The jurisdiction certifies that it has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations;

and (2) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

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

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

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

Signature/Authorized Official

Date

County Administrator
Title

NSP Application Checklist

Contents of an NSP Action Plan Substantial Amendment

Jurisdiction(s): **Palm Beach County** NSP Contact Person: **Edward W. Lowery**
Department of Housing Address: **160 S. Australian Avenue,**
and Community Development **Suite 500**
West Palm Beach, FL 33406

Jurisdiction Web Address: Telephone: **(651)233-3602**
(URL where NSP Application materials are Fax: **(561) 233-3602**
posted) Email: **elowery@pbcgov.org**

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 1 -13.

Provide a brief description of areas of greatest need, i.e. census tracts, target area:

In order to determine its areas of greatest needs, Palm Beach County conducted an assessment of the County based on Section 2301(c)(2) of HERA to ensure that the NSP funds are 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. Additionally, the County also considered areas with 51.0% or greater low- and moderate-income population. Palm Beach County has decided to expend NSP funds in areas where at least two of the four above mentioned factors are present. Specifically, the threshold level used us to determine whether or not a factor is applicable are as follows:

- **Greatest percentage of home foreclosures- Areas with 4.0% or more of the total foreclosures in the County.,**
- **Highest percentage of homes financed by a subprime mortgage related loan- Areas with more than 400 sub-prime loans.**
- **Identified by the grantee as likely to face a significant rise in the rate of home foreclosures- Areas with foreclosure risk score of 7 or greater.**
- **Low and moderate-income composition- Areas with 51.0% or greater low- and moderate-income population.**

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 14.

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:

- definition of “blighted structure” in context of state or local law,
Yes No . Verification found on page 14-15.
- a definition of “affordable rents,”
Yes No . Verification found on page 15.
- a description of how the grantee will ensure continued affordability for NSP assisted housing,
Yes No . Verification found on page 15-16 .
- a description of housing rehabilitation standards that will apply to NSP assisted activities?
Yes No . Verification found on page 16.

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 23, 26, 29, 30.
- correlated eligible activity under CDBG,
Yes No . Verification found on page 23, 26, 29, 30.
- the areas of greatest need addressed by the activity or activities,
Yes No . Verification found on page 23,26, 29.
- expected benefit to income-qualified persons or households or areas
Yes No . Verification found on page 24, 27-28, 29, 31.
- appropriate performance measures for the activity (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels represented in DRGR),
Yes No . Verification found on page 25, 28, 29, 31.
- amount of funds budgeted for the activity,
Yes No . Verification found on page 25, 28, 29, 31.

- the name and location of the entity that will carry out the activity,
Yes No . Verification found on page 23, 26, 29, 30.
- expected start and end dates of the activity?
Yes No . Verification found on page 23, 26, 29, 30.

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 23, 27, 29.
- range of interest rates (if any),
Yes No . Verification found on page 24, 27.
- duration or term of assistance,
Yes No . Verification found on page 24, 27.
- tenure of beneficiaries (e.g., rental or homeownership)
Yes No . Verification found on page 24, 27.
- Does the design of home building activities ensure continued affordability?
Yes No . Verification found on page 15-16, 24, 27.
- Does the applicant indicate which activities will count toward the requirement at 2301(f)(3)(A)(ii)?
Yes No . Verification found on page 17, 25, 28, 31.

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 percent of area median income?
Yes No . Verification found on page 17.
- Has the grantee identified the estimated percentage 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 percent of area median income?
Yes No . Verification found on page 17, 25, 28.
Amount budgeted = \$ 6,925,085.

G. CONTACT INFORMATION

Does the submission include information on how to contact grantee program administrators so that citizens and other interested parties know whom to contact for additional information?

- Yes No . Verification found on page 1.

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 17, 21-22.

Are citizen comments included in the final amendment, and are the comments specifically and adequately addressed by the grantee?

Yes No . Verification found on page 17- 20.

I. WEBSITE PUBLICATION

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

- SF 424
Yes No .
- Proposed Action Plan Amendment
Yes No .
- Final Action Plan Amendment
Yes No .

Website URL: <http://pbcgov.com/hcd/whatsnew.htm>

J. CERTIFICATIONS

The following certifications are complete and accurate:

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