

THE NSP SUBSTANTIAL AMENDMENT

Jurisdiction(s): <u>Jefferson County, Alabama</u> (<i>identify lead entity in case of joint agreements</i>) N/A	NSP Contact Person: Robert S. Newbill
Jurisdiction Web Address: http://www.jeffcointouch.com/departments/community-econ-development/dd7.html (<i>URL where NSP Substantial Amendment materials are posted</i>)	Address: Suite A-430, 716 Richard Arrington Jr., Blvd. N. Birmingham, Al. 35203 Telephone: 205-325-5761 Fax: 205-325-5095 Email: Newbillr@jccal.org

A. AREAS OF GREATEST NEED

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

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

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

Response:

A review of Jefferson County's overall situation indicates that for the purposes of this grant application, a large portion of the County exceeds the NSP program requirements for eligibility. Jefferson County will work within these areas where feasible but will not reject other areas of foreclosure concentration not shown under the Priority Areas of Greatest Need. The foreclosure data presented was gathered from multiple sources but, due to time constraints, should not be considered all inclusive. Foreclosure data is not static and may change rapidly with market conditions.

For the purpose of this application, the summary needs data identifying geographic areas of greatest need in Jefferson County are listed in this section. Greatest needs within the County's jurisdiction was defined through the use of available data including the:

- (a) Greatest percentage of home foreclosures;
- (b) Highest percentage of homes financed by sub-prime mortgage related loans; and
- (c) Identified by the State or unit of general local government as likely to face a significant rise in the rate of home foreclosures.

The areas shown below have been selected as Priority Areas of Greatest Need for the use of NSP funds within Jefferson County. First you will see the Priority Areas of Greatest Needs which show most, though not all the factors which were included in the analysis. Among factors considered were the Current Rate of Foreclosure, the Estimated Foreclosure Abandonment Risk Score, Income Eligibility, High Cost Loan Rate, 18 Month Problem Foreclosure Rate and USPS Residential Vacancy Rate among others.

The Priority Areas of Greatest Needs are centered in multiple areas of the Jefferson County Community Development Consortium with the Consortium consisting of all of Jefferson County outside of the cities of Birmingham, Bessemer, Hoover, County Line, West Jefferson, Argo and Sumiton.

The first Priority Area is located in the northeast residential corridor containing, Pinson, Centerpoint and Tarrant. The two highest concentrations of foreclosures properties are to be found here. The first includes the City of Centerpoint and surrounding areas at a disturbing rate of 60 current foreclosures, the highest rate in Jefferson County. The area selected contained the Estimated Foreclosure Abandonment Risk Scores of 8 and 9 and the Current Rate of Foreclosure Score set at 10. The second highest rate is found adjacent to this in the 35235 zip code which include the areas east of Centerpoint and West of Trussville. High Cost Loan Rates are particularly noticeable here.

The second Priority Area is located in the western residential corridor and included the Cities of Fairfield, Brighton, Midfield, Lipscomb and Hueytown. These Areas have an Estimated Foreclosure Abandonment Risk Score of 9 to 10 and a Current Rate of Foreclosure Score set at 6. While the current rate of foreclosure is not as catastrophic as that found in the CenterPoint area it is indicative of an ongoing history of decline. High Cost Loan Rates are once again rather ominous in Priority Area #2.

The third Priority Area is located in the north-western residential corridor and contains, Forestdale, Adamsville, Graysville, Docena, Mulga, Edgewater, Docena and McDonald's Chapel. It has an Estimated Foreclosure Abandonment Risk Score of from 7-9 and a Current Rate of Foreclosure Score ranging from 4-6. As before, High Cost Loan Rates are once again rather ominous in Priority Area #3.

The remaining areas are lumped together for convenience with each having High Cost Loan Rates that are far above average for Jefferson County. The fourth

Priority Area includes the City of Warrior and Census Tract #140. It has an Estimated Foreclosure Risk Score of 6 and a Current Rate of Foreclosure Score of 4. The fifth Priority Area contains portions of Irondale including the old town and Roebuck Plaza. It has an Estimated Foreclosure Risk Score of 7 and a Current Rate of Foreclosure Score of 4. The sixth Priority Area is located in the City of Leeds and has an Estimated Foreclosure Risk score of 6 and a Current Rate Score of Foreclosure of 4. The seventh Priority Areas is a small area of County in the Western Area of Bessemer and has an Estimated Foreclosure Risk score of 6 and a Current Rate of Foreclosure score of 4. Jefferson County may, at its discretion work in Priority Areas not shown on the attached table/maps. This is a reflection on the dynamic nature of foreclosure data and concentrations.

Priority Areas of Greatest Needs

Place Name	Tract	blkgrp	UR	Middle Low/Mod Income Eligible	Estimated Foreclosure Abandonm't Risk Score	Percent <120% AMI	High Cost Loan Rate	18 Month Problem Foreclosure Rate	USPS Residential Vacancy Rate	Current Rate of Foreclosure
Unincorp.	011104	1	U	YES	5	51.3%	37.3%	4.7%	0.2%	7
Unincorp.	011104	2	U	YES	5	51.1%	37.3%	4.7%	0.2%	7
Unincorp.	011104	2	U	YES	5	54.8%	37.3%	4.7%	0.2%	7
Unincorp.	011104	2	U	YES	5	62.2%	37.3%	4.7%	0.2%	7
Unincorp.	012002	3	R	YES	5	55.1%	30.8%	3.8%	1.3%	6
Unincorp.	012303	3	U	YES	5	100.0%	45.1%	5.7%	0.2%	5
Unincorp.	012701	3	U	YES	5	75.3%	29.8%	3.7%	1.3%	4
Unincorp.	012908	8	U	YES	5	74.6%	20.1%	2.4%	7.1%	4
Unincorp.	012909	7	U	YES	5	94.3%	18.1%	2.1%	7.9%	4
Unincorp.	014104	1	R	YES	5	56.5%	35.3%	4.4%	0.3%	6
Unincorp.	014104	2	U	YES	5	78.1%	35.3%	4.4%	0.3%	6
Unincorp.	014105	2	U	YES	5	89.4%	36.5%	4.6%	0.4%	5
Unincorp.	014105	9	U	YES	5	57.7%	36.5%	4.6%	0.4%	5
Unincorp.	014000	1	R	YES	5	59.8%	30.6%	3.8%	0.4%	6
Unincorp.	014000	1	U	YES	5	57.7%	30.6%	3.8%	0.4%	6
Unincorp.	014000	1	R	YES	5	55.7%	30.6%	3.8%	0.4%	6
Unincorp.	014000	2	R	YES	5	61.1%	30.6%	3.8%	0.4%	6
Unincorp.	014000	1	R	YES	5	85.6%	30.6%	3.8%	0.4%	6
Unincorp.	014000	2	R	YES	5	53.8%	30.6%	3.8%	0.4%	6
Unincorp.	014000	2	U	YES	5	55.7%	30.6%	3.8%	0.4%	6
Fultondale	012002	1	U	YES	5	82.7%	30.8%	3.8%	1.3%	4
Fultondale	012002	2	U	YES	5	77.2%	30.8%	3.8%	1.3%	4
Fultondale	012002	4	U	YES	5	58.0%	30.8%	3.8%	1.3%	4
Hueytown	012303	5	U	YES	5	57.6%	45.1%	5.7%	0.2%	6
Irondale	012701	2	R	YES	5	100.0%	29.8%	3.7%	1.3%	4
Irondale	012701	1	U	YES	5	64.9%	29.8%	3.7%	1.3%	4
Irondale	012701	3	U	YES	5	101.8%	29.8%	3.7%	1.3%	4
Irondale	012701	4	U	YES	5	70.1%	29.8%	3.7%	1.3%	4

				Middle	Estimated		High	18 Month	USPS	Current
				Low/Mod	Foreclosure	Percent	Cost	Problem	Residential	Rate
Place				Income	Abandonm't	<120%	Loan	Foreclosure	Vacancy	Of
Name	Tract	blkgrp	UR	Eligible	Risk Score	AMI	Rate	Rate	Rate	Foreclosure
Unincorp.	014301	3	R	YES	6	61.4%	31.4%	3.9%	3.2%	6
Unincorp.	014301	3	U	YES	6	79.9%	31.4%	3.9%	3.2%	6
Unincorp.	014301	4	U	YES	6	55.4%	31.4%	3.9%	3.2%	6
Unincorp.	014301	6	U	YES	6	100.0%	31.4%	3.9%	3.2%	6
Unincorp.	011400	1	R	YES	6	83.1%	30.8%	3.8%	4.6%	4
Unincorp.	011400	3	R	YES	6	63.6%	30.8%	3.8%	4.6%	4
Unincorp.	011400	4	R	YES	6	60.7%	30.8%	3.8%	4.6%	4
Irondale	010803	1	U	YES	6	56.6%	31.0%	3.9%	2.9%	4
Leeds	011000	3	R	YES	6	76.1%	31.2%	3.9%	3.8%	4
Leeds	011000	1	U	YES	6	88.0%	31.2%	3.9%	3.8%	4
Leeds	011000	2	U	YES	6	62.2%	31.2%	3.9%	3.8%	4
Leeds	011000	3	U	YES	6	82.3%	31.2%	3.9%	3.8%	4
Leeds	011000	4	U	YES	6	57.4%	31.2%	3.9%	3.8%	4
Trafford	011400	1	R	YES	6	100.0%	30.8%	3.8%	4.6%	4
Warrior	011400	1	R	YES	6	89.3%	30.8%	3.8%	4.6%	4
Warrior	011400	2	R	YES	6	87.3%	30.8%	3.8%	4.6%	4
Warrior	011400	3	R	YES	6	76.7%	30.8%	3.8%	4.6%	4
Warrior	011400	1	U	YES	6	80.2%	30.8%	3.8%	4.6%	4
Warrior	011400	2	U	YES	6	68.9%	30.8%	3.8%	4.6%	4
Unincorp.	012001	7	U	YES	7	56.6%	47.7%	6.1%	1.1%	6
Unincorp.	011901	8	R	YES	7	95.5%	39.3%	5.0%	1.6%	6
Unincorp.	011901	6	U	YES	7	100.0%	39.3%	5.0%	1.6%	6
Unincorp.	011901	7	U	YES	7	91.3%	39.3%	5.0%	1.6%	6
Unincorp.	011901	8	U	YES	7	66.2%	39.3%	5.0%	1.6%	6
Unincorp.	012001	7	R	YES	7	68.9%	47.7%	6.1%	1.1%	6
Unincorp.	012001	7	U	YES	7	67.9%	47.7%	6.1%	1.1%	6
Unincorp.	012602	1	U	YES	7	75.4%	35.2%	4.4%	5.2%	4
Unincorp.	012602	3	U	YES	7	64.6%	35.2%	4.4%	5.2%	4
Unincorp.	012103	5	U	YES	7	52.3%	50.0%	6.4%	1.2%	4
Unincorp.	012103	7	U	YES	7	66.5%	50.0%	6.4%	1.2%	4
Unincorp.	012103	9	U	YES	7	94.2%	50.0%	6.4%	1.2%	4
Unincorp.	012103	9	U	YES	7	70.1%	50.0%	6.4%	1.2%	4
Adamsville	012103	7	U	YES	7	72.2%	50.0%	6.4%	1.2%	5
Adamsville	012103	9	U	YES	7	62.1%	50.0%	6.4%	1.2%	5
Brookside	012001	7	U	YES	7	65.3%	47.7%	6.1%	1.1%	1
Fultondale	011901	8	R	YES	7	100.0%	39.3%	5.0%	1.6%	4
Fultondale	011901	8	U	YES	7	100.0%	39.3%	5.0%	1.6%	4
Gardendale	011901	8	U	YES	7	100.0%	39.3%	5.0%	1.6%	4
Graysville	012103	6	R	YES	7	82.4%	50.0%	6.4%	1.2%	4
Graysville	012103	1	U	YES	7	73.0%	50.0%	6.4%	1.2%	4
Graysville	012103	6	U	YES	7	76.9%	50.0%	6.4%	1.2%	4
Graysville	012103	9	U	YES	7	71.0%	50.0%	6.4%	1.2%	4
Irondale	012602	3	U	YES	7	69.1%	35.2%	4.4%	5.2%	4

				Middle	Estimated		High	18 Month	USPS	Current
				Low/Mod	Foreclosure	Percent	Cost	Problem	Residential	Rate
Place				Income	Abandonm't	<120%	Loan	Foreclosure	Vacancy	of
Name	Tract	blkgrp	UR	Eligible	Risk Score	AMI	Rate	Rate	Rate	Foreclosure
Tarrant	011901	8	U	YES	7	59.3%	39.3%	5.0%	1.6%	6
Unincorp.	010002	2	U	YES	8	98.6%	38.4%	4.8%	6.9%	6
Unincorp.	010002	3	U	YES	8	62.8%	38.4%	4.8%	6.9%	6
Unincorp.	010402	1	U	YES	8	92.0%	55.4%	7.1%	1.8%	5
Unincorp.	011902	5	U	YES	8	59.6%	63.9%	8.2%	1.1%	6
Unincorp.	013901	1	U	YES	8	100.0%	44.7%	5.7%	2.9%	6
Unincorp.	013902	2	U	YES	8	86.4%	43.4%	5.5%	6.8%	6
Center Point	011802	1	U	YES	8	66.2%	48.4%	6.2%	4.5%	10
Center Point	011802	2	U	YES	8	65.9%	48.4%	6.2%	4.5%	10
Center Point	011802	3	U	YES	8	70.9%	48.4%	6.2%	4.5%	10
Center Point	011802	4	U	YES	8	56.3%	48.4%	6.2%	4.5%	10
Hueytown	010002	2	U	YES	8	72.2%	38.4%	4.8%	6.9%	6
Hueytown	010002	5	U	YES	8	68.6%	38.4%	4.8%	6.9%	6
Hueytown	010002	6	U	YES	8	55.6%	38.4%	4.8%	6.9%	6
Hueytown	013901	1	U	YES	8	62.8%	44.7%	5.7%	2.9%	6
Hueytown	013902	1	U	YES	8	68.3%	43.4%	5.5%	6.8%	6
Hueytown	013902	2	U	YES	8	63.2%	43.4%	5.5%	6.8%	6
Pleasant Grove	013901	1	U	YES	8	75.9%	44.7%	5.7%	2.9%	5
Tarrant	011902	5	U	YES	8	86.8%	63.9%	8.2%	1.1%	6
Unincorp.	012500	4	R	YES	9	67.3%	50.5%	6.4%	6.1%	5
Unincorp.	012500	3	U	YES	9	82.8%	50.5%	6.4%	6.1%	5
Unincorp.	012500	4	U	YES	9	78.2%	50.5%	6.4%	6.1%	5
Unincorp.	012401	3	U	YES	9	51.6%	51.0%	6.5%	2.5%	6
Unincorp.	012402	3	R	YES	9	100.0%	48.9%	6.2%	9.9%	6
Unincorp.	012402	1	U	YES	9	76.4%	48.9%	6.2%	9.9%	6
Unincorp.	012402	2	U	YES	9	72.5%	48.9%	6.2%	9.9%	6
Unincorp.	012500	2	R	YES	9	101.3%	50.5%	6.4%	6.1%	5
Unincorp.	012500	3	R	YES	9	100.0%	50.5%	6.4%	6.1%	5
Unincorp.	012500	2	U	YES	9	88.8%	50.5%	6.4%	6.1%	5
Unincorp.	012500	3	U	YES	9	101.6%	50.5%	6.4%	6.1%	5
Unincorp.	012500	1	U	YES	9	75.9%	50.5%	6.4%	6.1%	5
Unincorp.	011210	9	U	YES	9	77.9%	45.2%	5.7%	12.2%	5
Unincorp.	005908	2	U	YES	9	97.4%	53.0%	6.8%	8.0%	10
Unincorp.	010001	1	R	YES	9	63.9%	47.3%	6.0%	8.2%	6
Unincorp.	010001	1	U	YES	9	53.6%	47.3%	6.0%	8.2%	6
Unincorp.	011210	9	U	YES	9	57.6%	45.2%	5.7%	12.2%	5
Unincorp.	011804	1	U	YES	9	68.2%	61.6%	7.9%	2.8%	10
Unincorp.	012402	3	U	YES	9	69.8%	48.9%	6.2%	9.9%	6
Unincorp.	012500	4	R	YES	9	74.5%	50.5%	6.4%	6.1%	5
Unincorp.	012500	6	R	YES	9	79.1%	50.5%	6.4%	6.1%	5
Unincorp.	012500	4	U	YES	9	79.1%	50.5%	6.4%	6.1%	5
Unincorp.	012500	6	U	YES	9	95.6%	50.5%	6.4%	6.1%	5
Adamsville	012402	3	R	YES	9	100.0%	48.9%	6.2%	9.9%	5

				Middle	Estimated		High	18 Month	USPS	Current
				Low/Mod	Foreclosure	Percent	Cost	Problem	Residential	Rate
Place				Income	Abandonm't	<120%	Loan	Foreclosure	Vacancy	of
Name	Tract	blkgrp	UR	Eligible	Risk Score	AMI	Rate	Rate	Rate	Foreclosure
Center Point	011207	5	U	YES	9	67.9%	53.1%	6.8%	2.2%	10
Center Point	011804	1	U	YES	9	76.8%	61.6%	7.9%	2.8%	10
Center Point	011804	7	U	YES	9	59.8%	61.6%	7.9%	2.8%	10
Center Point	011804	8	U	YES	9	57.4%	61.6%	7.9%	2.8%	10
Fairfield	013400	1	U	YES	9	71.9%	57.1%	7.3%	7.1%	5
Fairfield	013400	3	U	YES	9	54.3%	57.1%	7.3%	7.1%	5
Fairfield	013400	8	U	YES	9	57.8%	57.1%	7.3%	7.1%	5
Homewood	005102	4	U	YES	9	55.4%	47.8%	5.5%	11.8%	4
Hueytown	010001	1	U	YES	9	70.6%	47.3%	6.0%	8.2%	6
Hueytown	010001	2	U	YES	9	71.0%	47.3%	6.0%	8.2%	6
Hueytown	010001	9	U	YES	9	56.7%	47.3%	6.0%	8.2%	6
Maytown	012500	6	R	YES	9	80.7%	50.5%	6.4%	6.1%	5
Midfield	013400	1	U	YES	9	72.0%	57.1%	7.3%	7.1%	6
Midfield	013400	2	U	YES	9	76.2%	57.1%	7.3%	7.1%	6
Midfield	013400	3	U	YES	9	70.4%	57.1%	7.3%	7.1%	6
Midfield	013400	8	U	YES	9	96.6%	57.1%	7.3%	7.1%	6
Mulga	012500	1	R	YES	9	100.0%	50.5%	6.4%	6.1%	5
Mulga	012500	6	R	YES	9	100.0%	50.5%	6.4%	6.1%	5
Mulga	012500	4	U	YES	9	72.8%	50.5%	6.4%	6.1%	5
Mulga	012500	5	U	YES	9	72.3%	50.5%	6.4%	6.1%	5
Mulga	012500	6	U	YES	9	71.7%	50.5%	6.4%	6.1%	5
Unincorp.	005500	3	U	YES	10	77.6%	70.0%	9.0%	28.7%	6
Unincorp.	005905	3	U	YES	10	86.0%	64.2%	8.3%	7.4%	10
Unincorp.	005905	5	U	YES	10	100.0%	64.2%	8.3%	7.4%	10
Unincorp.	010302	2	U	YES	10	98.7%	71.9%	9.3%	22.4%	5
Unincorp.	010401	1	U	YES	10	77.2%	67.7%	8.7%	14.9%	6
Unincorp.	010500	2	U	YES	10	100.0%	66.3%	8.5%	16.5%	6
Unincorp.	011209	1	U	YES	10	59.0%	62.9%	8.1%	7.2%	4
Unincorp.	011803	5	U	YES	10	61.5%	59.9%	7.7%	9.0%	10
Unincorp.	011803	6	U	YES	10	98.7%	59.9%	7.7%	9.0%	10
Unincorp.	013100	3	U	YES	10	78.6%	67.4%	8.7%	5.1%	6
Unincorp.	013300	2	U	YES	10	100.0%	75.2%	9.7%	6.3%	6
Unincorp.	013601	1	U	YES	10	100.0%	62.3%	8.0%	18.0%	6
Unincorp.	013601	7	U	YES	10	100.0%	62.3%	8.0%	18.0%	6
Unincorp.	013801	1	U	YES	10	100.0%	83.0%	10.8%	14.4%	6
Brighton	013300	2	U	YES	10	100.0%	75.2%	9.7%	6.3%	6
Brighton	013300	4	U	YES	10	94.7%	75.2%	9.7%	6.3%	6
Brighton	013601	1	U	YES	10	89.4%	62.3%	8.0%	18.0%	6
Brighton	013601	2	U	YES	10	87.9%	62.3%	8.0%	18.0%	6
Brighton	013601	3	U	YES	10	82.9%	62.3%	8.0%	18.0%	6
Brighton	013601	5	U	YES	10	87.0%	62.3%	8.0%	18.0%	6
Brighton	013601	6	U	YES	10	94.0%	62.3%	8.0%	18.0%	6
Brighton	013601	7	U	YES	10	85.3%	62.3%	8.0%	18.0%	6

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				Low/Mod	Foreclosure	Percent	Cost	Problem	Residential	Rate
Place				Income	Abandonm't	<120%	Loan	Foreclosure	Vacancy	Of
Name	Tract	blkgrp	UR	Eligible	Risk Score	AMI	Rate	Rate	Rate	Foreclosure
Fairfield	010602	3	U	YES	10	92.5%	59.0%	7.6%	14.8%	5
Fairfield	010602	4	U	YES	10	67.9%	59.0%	7.6%	14.8%	5
Fairfield	010602	5	U	YES	10	52.0%	59.0%	7.6%	14.8%	5
Fairfield	010602	6	U	YES	10	73.2%	59.0%	7.6%	14.8%	5
Fairfield	010602	7	U	YES	10	74.8%	59.0%	7.6%	14.8%	5
Fairfield	010603	7	U	YES	10	62.2%	58.8%	7.5%	6.1%	5
Fultondale	005500	2	U	YES	10	74.2%	70.0%	9.0%	28.7%	4
Lipscomb	010500	1	U	YES	10	84.0%	66.3%	8.5%	16.5%	6
Lipscomb	010500	2	U	YES	10	83.9%	66.3%	8.5%	16.5%	6
Lipscomb	010500	3	U	YES	10	76.2%	66.3%	8.5%	16.5%	6
Lipscomb	013300	3	U	YES	10	67.9%	75.2%	9.7%	6.3%	6
Lipscomb	013300	4	U	YES	10	82.5%	75.2%	9.7%	6.3%	6
Midfield	010602	7	U	YES	10	100.0%	59.0%	7.6%	14.8%	6
Midfield	013200	1	U	YES	10	72.3%	66.5%	8.6%	12.3%	6
Midfield	013200	2	U	YES	10	76.4%	66.5%	8.6%	12.3%	6
Midfield	013200	3	U	YES	10	85.5%	66.5%	8.6%	12.3%	6
Midfield	013601	1	U	YES	10	82.5%	62.3%	8.0%	18.0%	6
Midfield	013601	7	U	YES	10	76.2%	62.3%	8.0%	18.0%	6
Midfield	013801	1	U	YES	10	100.0%	83.0%	10.8%	14.4%	6
Tarrant	010900	1	U	YES	10	66.6%	57.5%	7.4%	15.8%	6
Tarrant	010900	2	U	YES	10	75.4%	57.5%	7.4%	15.8%	6
Tarrant	010900	3	U	YES	10	78.9%	57.5%	7.4%	15.8%	6
Tarrant	010900	5	U	YES	10	90.0%	57.5%	7.4%	15.8%	6
Tarrant	010900	6	U	YES	10	80.1%	57.5%	7.4%	15.8%	6
Tarrant	010900	7	U	YES	10	81.2%	57.5%	7.4%	15.8%	6
Tarrant	010900	9	U	YES	10	87.8%	57.5%	7.4%	15.8%	6
Adamsville	0124.03	1	U	Yes	3	61.4%	52.1%	6.7%	0.0%	5
Adamsville	0124.03	1	R	No	3	39.5%	52.1%	6.7%	0.00%	5
Adamsville	0121.04	1	R	Yes	3	82.4%	44.4%	5.6%	0.00%	5
Adamsville	0121.04	1	U	Yes	3	62.0%	44.4%	5.6%	0.00%	5

B. DISTRIBUTION AND USES OF FUNDS

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

Response: Jefferson County’s distribution and use of NSP funds will meet the HEERA requirements that the funds are distributed to the areas of greatest need including those with the greatest percentage of home foreclosures, the greatest percentage of homes financed by a sub-prime related loan and those defined by the grantee as likely to face a significant rise in the rate of home foreclosures. This data was derived from the table entitled Areas of Greatest Needs which includes historic and current foreclosure data. Jefferson County, may at its discretion, work in Priority Areas not shown on the attached table/maps.

C. DEFINITIONS AND DESCRIPTIONS

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

Response:

Building Code for Jefferson County, Alabama

103.4.1 – Unsafe Buildings: All buildings or structures which are unsafe or not provided with adequate egress, or which constitute a fire hazard or are otherwise dangerous to human life, or which in relation to existing use constitute a hazard to safety or health by reason of inadequate maintenance, dilapidation, obsolescence, or abandonment are severally in contemplation of this section, unsafe building.

103.5.1 – Public Nuisances

Wherever the Building Official of Jefferson County shall find that any buildings, structure, part of building or structure, party wall or foundation situated in Jefferson County is unsafe to the extend that it is a public nuisance.

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

Response:

HOME program rents will be used by Jefferson County for projects funded by NSP. These are updated annually by the U.S. Department of Housing and Urban Development. HOME Program rent limits are available at www.hud.gov.

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

Response:

CONTINUED AFFORDABILITY;

Jefferson County has adopted the HOME Program affordability standards found at 24 CFR 92.252 (a), (c), (e), and (f), and 24 CFR 92.254 to meet the continued affordability standards of the Neighborhood Stabilization Program. Utilizing these standards, Jefferson County will ensure that all NSP assisted housing remains affordable to individuals or families whose incomes do not exceed 120 percent of area median income or, for units originally assisted with funds under the requirements of section 2301 (f)(3)(A)(ii), remain affordable to individuals and families whose incomes do not exceed 50 percent of area median income.

Enforcement Mechanisms

HOME rules require that assisted properties remain affordable for a specific period of time (5, 10, 15 or 20 years), depending on the activity and the level of funds invested. Participating Jurisdictions are required to place certain restrictions on assisted properties in order to preserve affordable housing in their communities. Restrictions involving the period of affordability will be incorporated in a deed restriction and/or mortgage documents or other appropriate and binding documents (Note: covenants on land may be used in lieu of deed restrictions).

Qualification as Affordable Housing: Rental Housing

- (a) *24 CFR 92.252 (a)* Rent limitation. HUD provides the following maximum HOME rent limits. The maximum HOME rents (High HOME Rents) are the lesser of:
- (1) The fair market rent for existing housing for comparable units in the area as established by HUD under 24 CFR § 888.111; or
 - (2) A rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65 percent of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit. The HOME rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions.
- (b) *24 CFR 92.252 (c)* Initial rent schedule and utility allowances. The participating jurisdiction shall establish maximum monthly allowances for utilities and services (excluding telephone). The participating jurisdiction shall review and approve rents proposed by the owner for units subject to the maximum rent limitations in paragraphs (a) or (b) of this section. For all units subject to the maximum rent limitations in paragraphs (a) or (b) of this section for which the tenant is paying utilities and services, the

participating jurisdiction shall ensure that the rents do not exceed the maximum rent minus the monthly allowances for utilities and services.

- (c) *24 CFR 92.252 (e) Periods of Affordability.* The NSP-assisted units must meet the affordability requirements for not less than the applicable period specified in the following table, beginning after project completion. The affordability requirements apply without regard to the term of any loan or mortgage or the transfer of ownership. They shall be imposed by deed restrictions, covenants running with the land, or other mechanisms approved by HUD, except that the affordability restrictions may terminate upon foreclosure or transfer in lieu of foreclosure. The participating jurisdiction may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure or deed in lieu of foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former has or had family or business ties, obtains an ownership interest in the project or property.

Rental housing activity	Minimum period of affordability in years
Rehabilitation or acquisition of existing housing per unit amount of NSP funds: Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15
New construction or acquisition of newly constructed housing	20

- (d) *24 CFR 92.252 (f) Subsequent rents during the affordability period.*
- (1) The maximum HOME rent limits are recalculated on a periodic basis after HUD determines fair market rents and median incomes. HUD then provides the new maximum HOME rent limits to participating jurisdictions. Regardless of changes in fair market rents and in median income over time, the HOME rents for a project are not required to be lower than the HOME rent limits for the project in effect at the time of project commitment.
 - (2) The participating jurisdiction must provide project owners with information on updated HOME rent limits so that rents may be adjusted (not to exceed the maximum HOME rent limits in paragraph (d) (1) of this section) in accordance with the written

agreement between the participating jurisdiction and the owner. Owners must annually provide the participating jurisdiction with information on rents and occupancy of NSP-assisted units to demonstrate compliance with this section.

- (3) Any increase in rents for NSP-assisted units is subject to the provisions of outstanding leases, and in any event, the owner must provide tenants of those units not less than 30 days prior written notice before implementing any increase in rents.

92.254 Qualification as Affordable Housing: Homeownership

Acquisition with or without rehabilitation. Housing that is for acquisition by a family must meet the affordability requirements of this paragraph (a).

- 1. The housing must be single-family housing.
- 2. The housing must be modest housing as follows:

Jefferson County will use the Single Family Mortgage Limits under Section 203(b) of the National Housing Act (12 U.S.C. 1709(b)) (which may be obtained from the HUD Field Office) for projects/properties assisted with NSP funds.

- 3. The housing must be acquired by a homebuyer whose family qualifies as a low, moderate, and middle income, (LMMI) family and the housing must be the principal residence of the family throughout the period described in paragraph (a)(4) of this section.
- 4. *Periods of affordability.* The NSP-assisted housing must meet the affordability requirements for not less than the applicable period specified in the following table, beginning after project completion. The per unit amount of NSP funds and the affordability period that they trigger are described more fully below.

Homeownership assistance NSP amount per-unit	Minimum period of affordability in years
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

- 5. Continued Affordability

The Recapture Requirements [92.254(a)(5)]

Jefferson County will use the Recapture option for NSP funding. Recapture provisions must ensure that the participating jurisdiction recoups all or a portion of the NSP assistance to the homebuyers, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability.

Under the “recapture” option, the recipient repays some or all of the NSP subsidy to the Participating Jurisdiction and is able to sell his/her home to any buyer at whatever price the market will bear. Jefferson County will require full repayment of outstanding NSP funds at the time of resale or, if the net proceeds are less than the full amount of the NSP subsidy, recapture of the net proceeds. The net proceeds of a sale are the sales price minus any non-NSP loan repayments and closing costs. Jefferson County may at its option reduce the NSP investment amount to be recaptured on a pro-rata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period. In those cases where the real estate does not appreciate sufficiently to allow a full recapture, Jefferson County will reduce the repayment of the NSP subsidy to allow the original purchaser to resell the unit without incurring a loss. The period of affordability is based upon the total amount of NSP funds subject to recapture described in paragraph (4) of this section.

6. *Lease-purchase.* NSP funds may be used to assist homebuyers through lease-purchase programs for existing housing and for housing to be constructed. The housing must be purchased by a homebuyer within 36 months of signing the lease-purchase agreement. The homebuyer must qualify under NSP income limits at the time the lease-purchase agreement is signed. If NSP funds are used to acquire housing that will be resold to a homebuyer through a lease-purchase program, the NSP affordability requirements for rental housing in § 92.252 shall apply if the housing is not transferred to a homebuyer within forty-two months after project completion. Lease purchase agreements shall be for a period of one year and renew annually. A portion of the monthly lease payment may be set aside to help the homebuyer accumulate funds for a down-payment and/or closing costs. Approvals of homebuyers for lease purchase are on a case by case basis and are at the sole discretion of Jefferson County.
7. *Contract to purchase.* If NSP funds are used to assist a homebuyer who has entered into a contract to purchase housing to be

constructed, the homebuyer must qualify as a LMMI family at the time the contract is signed.

8. *Preserving affordability.*

If NSP funds assist a property that was previously assisted with NSP funds, but on which the affordability restrictions were terminated through foreclosure or transfer in lieu of foreclosure pursuant to 24 CFR part 92, Jefferson County will revive the HOME affordability restrictions for the greater of the remaining period of HOME affordability or the continuing affordability requirements of this notice.

(i) Notwithstanding § 92.214 (a)(6), to preserve the affordability of housing that was previously assisted with NSP funds and subject to the requirements of § 92.254(a), a participating jurisdiction may use additional NSP funds to acquire the housing through a purchase option, right of first refusal, or other preemptive right before foreclosure, or to acquire the housing at the foreclosure sale, to undertake any necessary rehabilitation, and to provide assistance to another homebuyer. The housing must be sold to a new eligible homebuyer in accordance with the requirements of § 92.254(a). Additional NSP funds may not be used if the mortgage in default was funded with NSP funds.

(ii) The total amount of original and additional NSP assistance may not exceed the maximum per-unit subsidy amount established under § 92.250.

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

Response:

Any work performed with NSP funds will comply with the 2003 International Building Code and the 2003 International Residential Building Codes as published by the International Code Council except those specifically altered by “The Special Provisions” promulgated by the Inspections Services Department of Jefferson County, Alabama.

D. LOW INCOME TARGETING

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose

incomes do not exceed 50 percent of area median income: \$560,000.00 (amount of setaside).

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

Response:

Jefferson County will set-aside \$560,000.00 in NSP funds to be used to purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties for housing individuals or families whose income do not exceed 50% of the area median income which exceed the minimum HUD requirements of 25% of the total funds set aside for this purpose.

E. ACQUISITIONS & RELOCATION

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

If so, include:

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

Response:

Grantee does not intend to demolish or convert any low-and-moderate income dwelling units.

F. PUBLIC COMMENT

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

Response:

No comments were received.

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

(1) Activity Name:

Purchase and Rehabilitation Program for Sale, Rent or Redevelopment.

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

NSP Eligible Use:

NSP Eligible Use: Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties.

CDBG Eligible Use:

- As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206.
- 25CFR 570.201 (a) acquisition, (b) dispositions, (i) Relocation, and (n) Direct homeownership assistance (as modified below):
- 570.202 eligible rehabilitation and preservation activities for homes and other residential properties (HUD notes that rehabilitation may include counseling for those seeking to take part in the activity).
.24 CFR 570.201 (a) Acquisition and (b) Disposition.

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

This activity meets the national objective by providing or improving permanent residential structures that will benefit low, moderate and middle income persons, as defined in the NSP Notice---i.e., $< 120\%$ of area median income.

(4) Projected Start Date:

March 1, 2009.

(5) Projected End Date:

February 28, 2014

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

Jefferson County Office of Community Development
Suite A-430
716 Richard Arrington Jr. Blvd, N.
Birmingham, Al. 35203

Administrator Contact: Robert Newbill

Phone: 205-325-5761

Fax: 205-325-5095

newbillr@jccal.org

Jefferson County may, at its discretion, determine to utilize a non-profit or for-profit developer(s) for all or a portion of the activities proposed. Entities chosen for this purpose will be selected through competitive proposals with an emphasis on experience and capacity in order to facilitate the highest and best use of the funds within the allocated time frame.

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

A review of Jefferson County's overall situation indicates that for the purposes of this grant application, a large portion of the County exceeds the NSP program requirements for eligibility. Efforts will be concentrated in Priority Areas # 1 through #7 as described in Section A of this document. Jefferson County will work within these areas were feasible but will not reject other areas of foreclosure concentration not shown under the Priority Areas of Greatest Need. Foreclosure data is not static and may change rapidly with market conditions.

- (8) **Activity Description:**

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

Funds utilized under this activity will 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.

Each of the Priority Areas #1 through #7 may benefit from this activity. The expected benefit to income qualified persons will be to provide or improve permanent residential structures for low, moderate and middle income persons, as defined in the NSP Notice---i.e., < 120% of area median income. This activity will be used to meet the low income housing requirement for those below 50% of area median income. Units purchased and rehabilitated or redeveloped under this Program may be deeded at no cost to qualified 501(c)(3) organizations that demonstrate the ability to maintain and manage the units over time.

The expected benefit to income-qualified persons will be as follows:

Income Group	Projected # Beneficiaries
0-50%	5
51-80%	10
81-120%	2

For housing related activities, include:

- **Tenure of beneficiaries--rental or homeownership;**

Tenure of beneficiaries under this activity may be rental or homeownership. It is anticipated that those toward the lower end of the income spectrum will be rental and those toward the higher end will be homeownership. Each NSP assisted homebuyer will be required to receive and complete at least 8 hours of homebuyer counseling from a HUD-approved housing counseling agency before obtaining a mortgage loan. Homebuyers must obtain a mortgage loan from a lender who agrees to comply with the bank regulator’s guidance for non-traditional mortgages (see, Statement on Subprime Mortgage Lending issued by the Office of the Comptroller of the Currency, Board of Governors of the Federal Deposit Insurance Corporation, Department of the Treasury, and National Credit Union Administration, available at <http://www.fdic.gov/regulations/laws/rules/5000-5160.html>).

Duration or term of assistance;

The minimum term of assistance for rental projects will be 5, 10, 15 or 20 years as described in the table below: 24 CFR 92.252 Qualification as Affordable Housing: Rental Housing. The minimum term of term of assistance for homeownership will be 5, 10 or 15 years as described in the table below: 24 CFR 92.254 Qualifications as Affordable Housing: Homeownership.

Description of how the design of the activity will ensure continued affordability:

Jefferson County has adopted the HOME Program affordability standards found at 24 CFR 92.252 (a), (c), (e), and (f), and 24 CFR 92.254 to meet the continued affordability standards of the Neighborhood Stabilization Program. Utilizing these standards, Jefferson County will ensure that all NSP assisted housing remains affordable to individuals or families whose incomes do not exceed 120 percent of area median income or, for units originally assisted with funds under the requirements of section 2301 (f)(3)(A)(ii), remain affordable to individuals and families whose incomes do not exceed 50 percent of area median income.

Enforcement Mechanisms

HOME rules require that assisted properties remain affordable for a specific period of time (5, 10, 15 or 20 years), depending on the activity and the level of funds invested. Participating Jurisdictions are required to place certain restrictions on assisted properties in order to preserve affordable housing in their communities. Restrictions involving the period of affordability will be incorporated in a deed restriction and/or mortgage documents or other appropriate and binding documents (Note: covenants on land may be used in lieu of deed restrictions).

Qualification as Affordable Housing: Rental Housing

Continued Affordability

- (a) *24 CFR 92.252 (a)* Rent limitation. HUD provides the following maximum HOME rent limits. The maximum HOME rents (High HOME Rents) are the lesser of:
- (1) The fair market rent for existing housing for comparable units in the area as established by HUD under 24 CFR § 888.111; or
 - (2) A rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65 percent of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit. The HOME rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions.
- (b) *24 CFR 92.252 (c)* Initial rent schedule and utility allowances. The Participating Jurisdiction shall establish maximum monthly allowances for utilities and services (excluding telephone). The participating jurisdiction shall review and approve rents proposed by the owner for units subject to the maximum rent limitations in paragraphs (a) or (b) of this section. For all units subject to the maximum rent limitations in paragraphs (a) or (b) of this section for which the tenant is paying utilities and services, the

Participating Jurisdiction shall ensure that the rents do not exceed the maximum rent minus the monthly allowances for utilities and services.

- (c) *24 CFR 92.252 (e) Periods of Affordability.* The NSP-assisted units must meet the affordability requirements for not less than the applicable period specified in the following table, beginning after project completion. The affordability requirements apply without regard to the term of any loan or mortgage or the transfer of ownership. They shall be imposed by deed restrictions, covenants running with the land, or other mechanisms approved by HUD, except that the affordability restrictions may terminate upon foreclosure or transfer in lieu of foreclosure. The Participating Jurisdiction may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure or deed in lieu of foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former has or had family or business ties, obtains an ownership interest in the project or property.

Rental housing activity	Minimum period of affordability in years
Rehabilitation or acquisition of existing housing per unit amount of NSP funds: Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15
New construction or acquisition of newly constructed housing	20

- (d) *24 CFR 92.252 (f) Subsequent rents during the affordability period.*
- (1) The maximum HOME rent limits are recalculated on a periodic basis after HUD determines fair market rents and median incomes. HUD then provides the new maximum HOME rent limits to Participating Jurisdictions. Regardless of changes in fair market rents and in median income over time, the HOME rents for a project are not required to be lower than the HOME rent limits for the project in effect at the time of project commitment.
 - (2) The Participating Jurisdiction must provide project owners with information on updated HOME rent limits so that rents may be adjusted (not to exceed the maximum HOME rent limits in paragraph (d) (1) of this section) in accordance with the written

agreement between the Participating Jurisdiction and the owner. Owners must annually provide the participating jurisdiction with information on rents and occupancy of NSP-assisted units to demonstrate compliance with this section.

- (3) Any increase in rents for NSP-assisted units is subject to the provisions of outstanding leases, and in any event, the owner must provide tenants of those units not less than 30 days prior written notice before implementing any increase in rents.

92.254 Qualification as Affordable Housing: Homeownership

Acquisition with or without rehabilitation. Housing that is for acquisition by a family must meet the affordability requirements of this of this section.

1. The housing must be single-family housing.
2. The housing must be modest housing as follows:

Jefferson County will use the Single Family Mortgage Limits under Section 203(b) of the National Housing Act (12 U.S.C. 1709(b)) (which may be obtained from the HUD Field Office) for projects/properties assisted with NSP funds.

3. The housing must be acquired by a homebuyer whose family qualifies as a low, moderate, and middle income, (LMMI) family and the housing must be the principal residence of the family throughout the period described in paragraph (4) of this section.
4. *Periods of affordability.* The NSP-assisted housing must meet the affordability requirements for not less than the applicable period specified in the following table, beginning after project completion. The per unit amount of NSP funds and the affordability period that they trigger are described more fully below.

Homeownership assistance NSP amount per-unit	Minimum period of affordability in years
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

5. *Continued Affordability*

The Recapture Requirements [92.254(a)(5)]

Jefferson County will use the Recapture option for NSP funding. Recapture provisions must ensure that the Participating Jurisdiction recoups all or a portion of the NSP assistance to the homebuyers, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability.

Under the “recapture” option, the recipient repays some or all of the NSP subsidy to the Participating Jurisdiction and is able to sell his/her home to any buyer at whatever price the market will bear. Jefferson County will require full repayment of outstanding NSP funds at the time of resale or, if the net proceeds are less than the full amount of the NSP subsidy, recapture of the net proceeds. The net proceeds of a sale are the sales price minus any non-NSP loan repayments and closing costs. Jefferson County may at its option reduce the NSP investment amount to be recaptured on a pro-rata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period. In those cases where the real estate does not appreciate sufficiently to allow a full recapture, Jefferson County will reduce the repayment of the NSP subsidy to allow the original purchaser to resell the unit without incurring a loss. The period of affordability is based upon the total amount of NSP funds subject to recapture described in paragraph (4) of this section.

6. *Lease Purchase.* NSP funds may be used to assist homebuyers through lease-purchase programs for existing housing and for housing to be constructed. The housing must be purchased by a homebuyer within 36 months of signing the lease-purchase agreement. The homebuyer must qualify as under NSP income limits at the time the lease-purchase agreement is signed. If NSP funds are used to acquire housing that will be resold to a homebuyer through a lease-purchase program, the NSP affordability requirements for rental housing in § 92.252 shall apply if the housing is not transferred to a homebuyer within forty-two months after project completion. Lease purchase agreements shall be for a period of one year and renew annually. A portion of the monthly lease payment may be set aside to help the homebuyer accumulate funds for a down-payment and/or closing costs. Approvals of homebuyers for lease purchase are on a case by case basis and are at the sole discretion of Jefferson County.

7. *Contract to purchase.* If NSP funds are used to assist a homebuyer who has entered into a contract to purchase housing to be constructed, the homebuyer must qualify as a LMMI family at the time the contract is signed.
8. *Preserving affordability.*

If NSP funds assist a property that was previously assisted with NSP funds, but on which the affordability restrictions were terminated through foreclosure or transfer in lieu of foreclosure pursuant to 24 CFR part 92, Jefferson County will revive the HOME affordability restrictions for the greater of the remaining period of HOME affordability or the continuing affordability requirements of this notice.

(i) Notwithstanding § 92.214 (a)(6), to preserve the affordability of housing that was previously assisted with NSP funds and subject to the requirements of § 92.254(a), a Participating Jurisdiction may use additional NSP funds to acquire the housing through a purchase option, right of first refusal, or other preemptive right before foreclosure, or to acquire the housing at the foreclosure sale, to undertake any necessary rehabilitation, and to provide assistance to another homebuyer. The housing must be sold to a new eligible homebuyer in accordance with the requirements of § 92.254(a). Additional NSP funds may not be used if the mortgage in default was funded with NSP funds.

(ii) The total amount of original and additional NSP assistance may not exceed the maximum per-unit subsidy amount established under § 92.250.

For acquisition activities, include:

- **discount rate** -

A discount rate of 5% for individual purchases will be applied and 15% for purchases in aggregate. Aggregate purchases for NSP are defined as all properties that an NSP grantee purchases with its entire NSP grant. Arranging to purchase multiple properties in bulk may not have much effect on meeting the individual and aggregate purchase discount requirements. The individual discount requirement still applies to each individual house and an appraisal is required for each house.

For financing activities, include:

- **range of interest rates**

0% interest rates.

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

\$2,014,089.00

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

Income Group	Projected # Beneficiaries
0-50%	5
51-80%	10
81-120%	2

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

(1) Activity Name: Administration.

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

NSP Eligible

NSP Eligible Use: Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties.

CDBG Eligible Use:

- As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206.

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

This activity meets the national objective by providing or improving permanent residential structures that will benefit low, moderate and middle income persons, as defined in the NSP Notice---i.e., $<$ 120% of area median income.

(4) Projected Start Date: March 15, 2009

(5) Projected End Date: February 28, 2013

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

Jefferson County Office of Community Development
716 Richard Arrington Jr. Blvd. N.
Suite A-430
Birmingham, Al. 35203

Contact: Dr. Frederick Hamilton, Director
Phone #: 205-325-5761
Fax #: 205-325-5095

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

Jefferson County Office of Community Development
716 Richard Arrington Jr. Blvd. N.
Suite A-430
Birmingham, Al. 35203

(8) Activity Description:

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

Administration of the NSP Program.

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

\$223,787.00

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

ADMINISTRATIVE EXPENSES RELATED TO THE NSP PROGRAM.

CERTIFICATIONS

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

(2) **Anti-lobbying.** The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(3) **Authority of Jurisdiction.** The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.

(4) **Consistency with Plan.** The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.

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

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

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

(8) **Following Plan.** The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

(9) **Use of funds in 18 months.** The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP Notice, all of its grant funds within 18 months of receipt of the grant.

(10) **Use NSP funds \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 incomes do not exceed 120 percent of area median income.

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

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

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

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

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

Bettye Fine Collins

Date

President, Jefferson County Commission
Title

NSP Substantial Amendment Checklist

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

Contents of an NSP Action Plan Substantial Amendment

Jurisdiction(s): <u>Jefferson County, Alabama</u> Lead Agency: N/A Jurisdiction Web Address: http://www.jeffcointouch.com/departments/community-econ-development/dd7.html (URL where NSP Substantial Amendment materials are posted)	NSP Contact Person: Robert S. Newbill Address: Suite A-430 716 Richard Arrington, Jr. Blvd. N., Birmingham, AL 35203 Telephone: 205-325-5761 Fax: 205-325-5095 Email: Newbillr@jccal.org
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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 1-7.

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 7-8.

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

C. DEFINITIONS AND DESCRIPTIONS

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

- a definition of “blighted structure” in the context of state or local law,
 Yes No . Verification found on page 8.
- a definition of “affordable rents,”
 Yes No . Verification found on page 8.

- a description of how the grantee will ensure continued affordability for NSP assisted housing,
Yes No . Verification found on page 8-13.
- a description of housing rehabilitation standards that will apply to NSP assisted activities?
Yes No . Verification found on page 13.

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 15.
- correlated eligible activity under CDBG,
Yes No . Verification found on page 15.
- the areas of greatest need addressed by the activity or activities,
Yes No . Verification found on page 16-17.
- expected benefit to income-qualified persons or households or areas,
Yes No . Verification found on page 17.
- appropriate performance measures for the activity,
Yes No . Verification found on page 23.
- amount of funds budgeted for the activity,
Yes No . Verification found on page 23.
- the name, location and contact information for the entity that will carry out the activity,
Yes No . Verification found on page 16.
- expected start and end dates of the activity?
Yes No . Verification found on page 15.

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 22.

If the activity provides financing,

- the range of interest rates (if any),
Yes No . Verification found on page 23.

If the activity provides housing,

- duration or term of assistance,
Yes No . Verification found on page 17.
- tenure of beneficiaries (e.g., rental or homeownership),
Yes No . Verification found on page 17.
- does it ensure continued affordability?
Yes No . Verification found on page 17-22.
- does the applicant indicate which activities will count toward the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
Yes No . Verification found on page 16-17.

F. LOW INCOME TARGETING

- Has the grantee described how it will meet the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
Yes No . Verification found on page 13-14.
- Has the grantee identified how the estimated amount of funds appropriated or otherwise made available will be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50% of area median income?
Yes No . Verification found on page 13-14.
Amount budgeted = \$ 560,000.00.

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

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

- Yes No . (If no, continue to next heading)
Verification found on page 14.

Does the substantial amendment include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities?
Yes No . Verification found on page _____.

- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., $\leq 120\%$ of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion)?
Yes No Verification found on page _____.

- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income?
Yes No Verification found on page _____.

H. PUBLIC COMMENT PERIOD

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

Yes No Verification found on page 14 & copies included at front of application.

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

Yes No Verification found on page 14 (No comments received).

I. WEBSITE PUBLICATION

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

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

Website URL: <http://www.jeffcointouch.com/departments/community-econ-development/dd7.html>

K. CERTIFICATIONS

The following certifications are complete and accurate:

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

- (14) Compliance with lead-based paint procedures
- (15) Compliance with laws

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>