

NEIGHBORHOOD STABILIZATION PROGRAM

SUBSTANTIAL AMENDMENT

To Community Development Block Grant 2010 Action Plan



NEIGHBORHOOD SERVICES DIVISION

February 21, 2011

Revised 10/01/2012



1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Rewis, Brian
Email Address	brian.rewis@lakelandgov.net
Phone Number	(863) 834-3360
Mailing Address	1104 Martin L. King, Jr. Avenue, Lakeland, Florida 33805

2. Areas of Greatest Need

Map Submission

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

Data Sources Used to Determine Areas of Greatest Need

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

Response:

Sources used to determine the Areas of Greatest Need for NSP3 include:

- HUD Foreclosure Need website (<http://www.huduser.org/NSP/NSP3.html>)
- PolicyMap (<http://www.policymap.com/maps>)
- Trulia, Inc. (<http://www.trulia.com/>)
- Lakeland Association of Realtors - Four Year Sales and Inventory History 2007-2010
- U.S. Census Bureau, 2005-2009 American Community Survey (ACS)

Determination of Areas of Greatest Need and Applicable Tiers

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

Response:

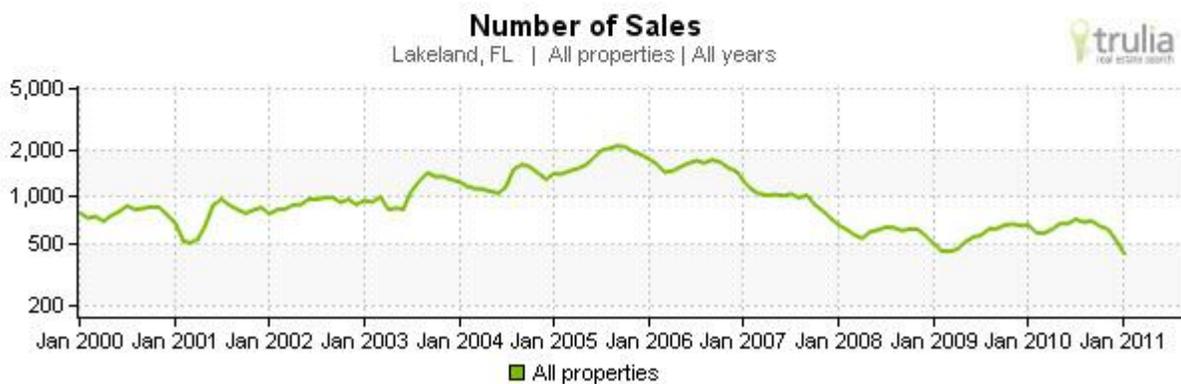
The NSP3 Areas of Greatest Need were determined by NSP3 planning data, including HUD foreclosure index scores for all eligible neighborhoods, as well as market data for the entire City of Lakeland. The foreclosure index score is a composite of the percentage of home foreclosures, the percentage of homes financed by a subprime mortgage related loan, and the prospective rate of foreclosure.

[Staff has not encountered numbers of NSP-eligible foreclosed properties expected within the primary "Area of Greatest Need" identified in the substantial amendment dated February 21, 2011, resulting in \(1\) a slow acquisition pace within said area and \(2\) the inability to negotiate for and acquire NSP-eligible properties outside the primary area. Other neighborhoods, in terms of foreclosure rates and properties, are proving in as much need as those identified in the substantial amendment. According to the data collected for the NSP3 application, the majority of the census tracts in Lakeland have a combined risk score of 18 or higher, which HUD has identified as having the greatest need due to high foreclosures and/or vacancies.](#)

[The City would like to add the Hampton Hills to its Plan. Hampton Hills Neighborhood shows foreclosed properties in its area and families seem to want to buy in this neighborhood.](#)

Market conditions in Lakeland as a whole, in general, mirror those of surrounding communities and the state. That is, demand remains at historic lows, with sales down 33.5 percent from October 2009 levels. Median sales price has fallen to pre-2002 levels, down 24.3 percent from October 2009 and 54 percent from the high of \$189,000 in late 2006 (see charts on following page). According to the Federal Housing Finance Agency Home Price Index, home values in Lakeland have fallen 31.5 percent since their peak value. Additionally, the average days a property listing is on the market continues to grow, to 127 in October 2010, which is 12.4 percent longer than a year ago and 44.3 percent longer than in January 2007.

City-wide, vacancy stands at 13.7 percent, or 6,391 of the 46,524 total housing units. Of the 40,133 occupied units, 55.9 percent are owner-occupied and 44.1 percent are renter-occupied. In terms of housing cost, 40 percent of owners with a mortgage and a 50 percent of renters in Lakeland spend 30 percent or more of household income on housing.



The City of Lakeland has identified three (3) Areas of Greatest Need for NSP3 as follows:

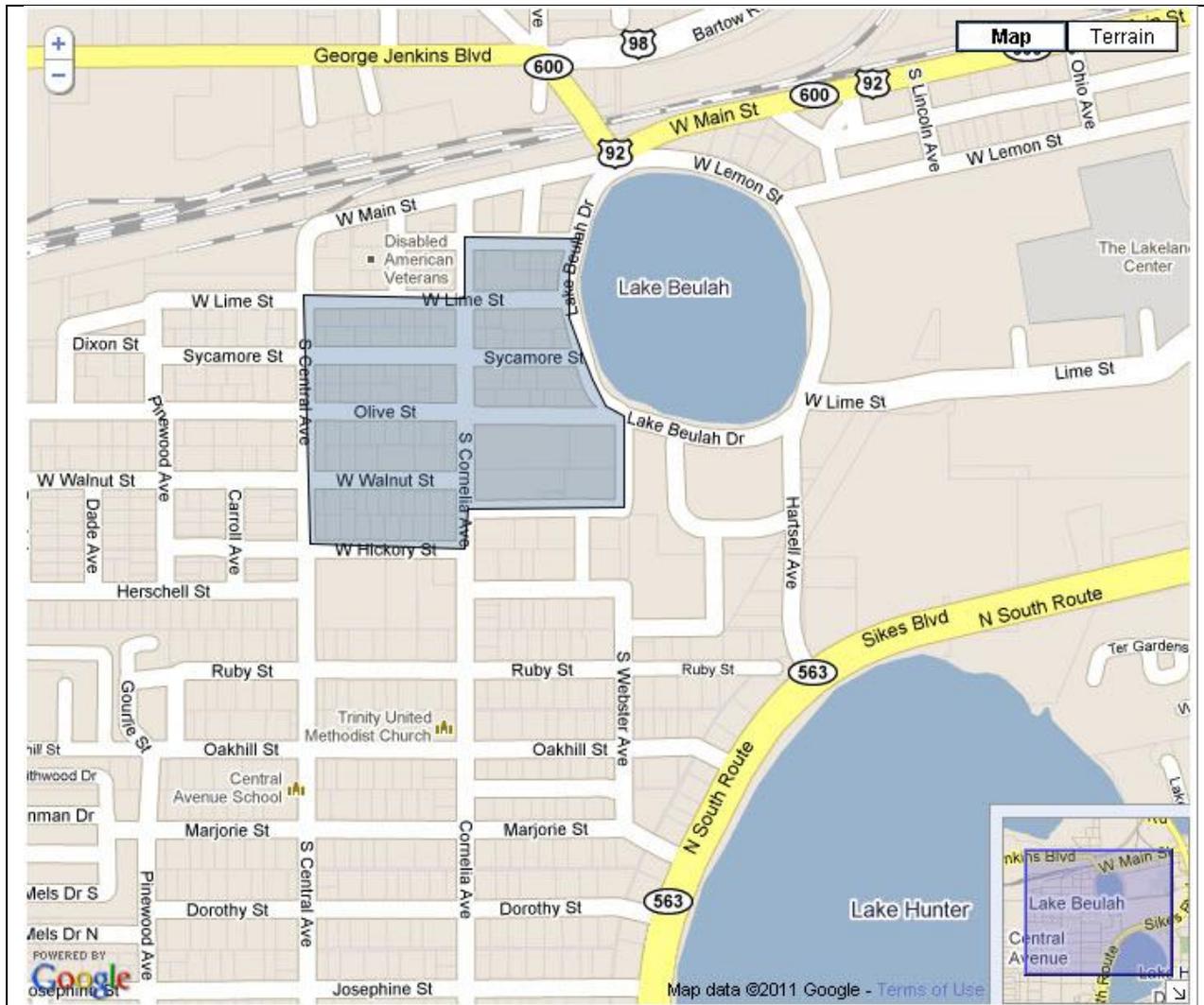
- Lake Beulah
- Webster Park
- [Parker Street](#)
- [Hampton Hills](#)

A project summary for NSP3, as well as maps of these areas are included as attachments to this Substantial Amendment, along with the Planning Data disbursed by the HUD Foreclosure Need website for each area. The areas identified by the NSP3 grantee as having the greatest need must have an individual or average combined foreclosure need score of not less than 17. The three (3) Areas of Greatest Need selected by the City of Lakeland have an average combined need score of 19.88 (see Exhibit "A").

In an effort to further activities from NSP1, stabilizing neighborhoods and eliminating blight, all three (3) Areas of Greatest Need identified in this Plan are located within the Area of Greatest Need identified for NSP1.

HUD has strongly encouraged NSP3 grantees to identify compact target areas such that their limited NSP3 funding will have a visible neighborhood impact. To this end, HUD's planning data provides an estimated number of properties needed to make an impact in the identified target area, which is calculated as 20 percent of the REO (Real Estate Owned) in the past year.

Lake Beulah (Neighborhood ID: 2667449)



The Lake Beulah Neighborhood shown above received an NSP3 foreclosure need score of 19 (minimum State Threshold Score is 17), and contains 120 housing units. A predominantly low income neighborhood, 59.1 percent of persons earn less than 80 percent of Area Median Income (AMI), vacancy in this area of Lake Beulah is estimated at 10 percent. Of the 120 total housing units, 32 received a mortgage between 2004 and 2007. In terms of mortgage cost and delinquency, 27.6 percent of mortgages in this area were high cost between 2004 and 2007, and 15.4 percent of housing units in this neighborhood were 90 or more days delinquent or in foreclosure.

The Lake Beulah Neighborhood received an NSP3 Impact Score of 1, meaning acquisition and rehabilitation and redevelopment of a single foreclosed property in this neighborhood would have a noticeable impact. Further, and most important to the stability of the Lake Beulah Neighborhood, the City of Lakeland plans to leverage a portion of its NSP3 allocation to redevelop the site of a blighted, now demolished 9-unit rental property acquired through NSP1 in April 2010.

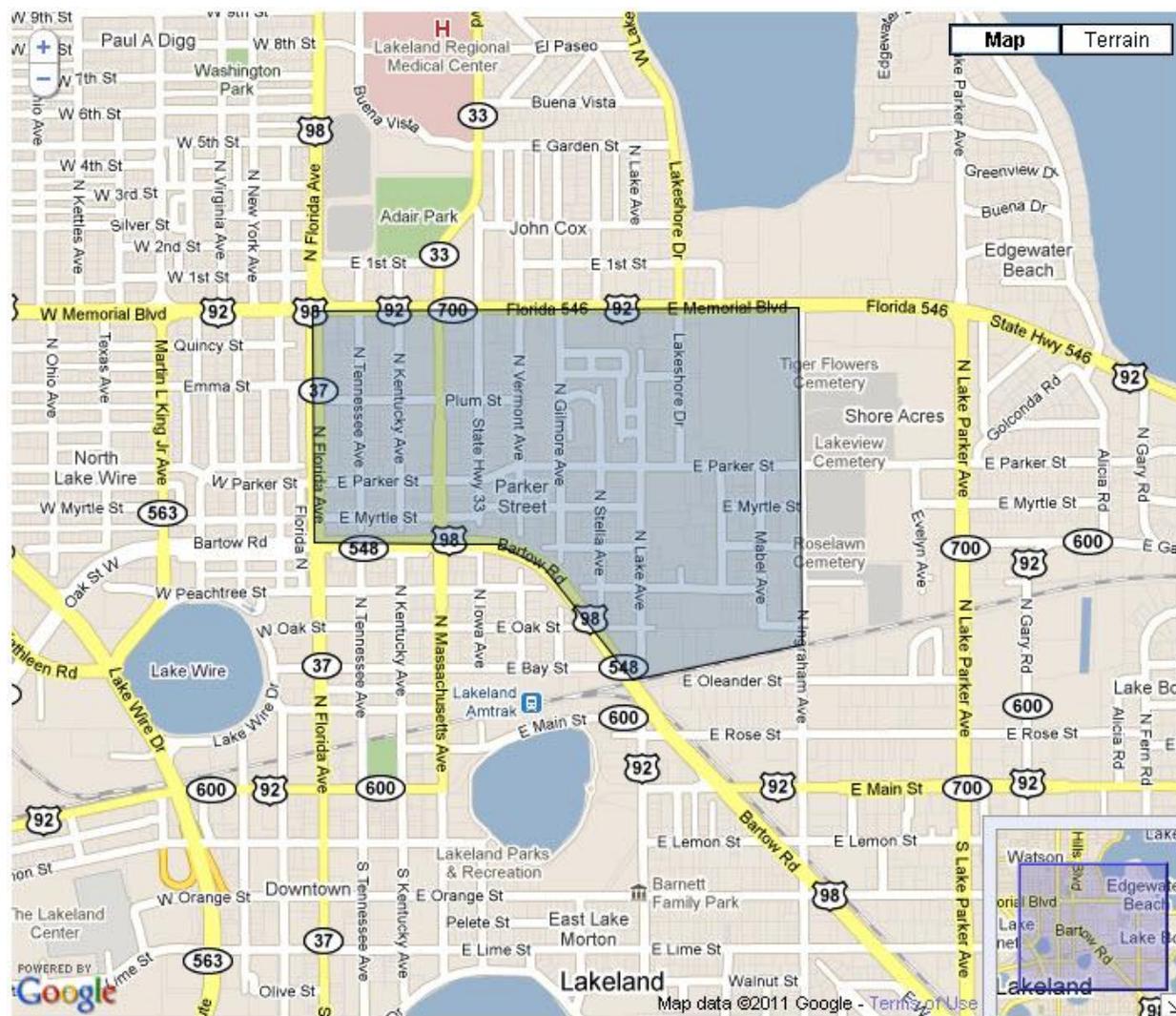
Webster Park (Neighborhood ID: 8177093)



The Webster Park Neighborhood shown above received the maximum possible NSP3 foreclosure need score of 20 (minimum State Threshold is 17), and contains 772 housing units. A predominantly low income neighborhood where 63.13 percent of residents earn less than 80 percent of Area Median Income (AMI) and eight out of ten earn less than 120 percent AMI, vacancy in Webster Park is estimated at 10.8 percent. Of the 772 total housing units, 124 received a mortgage between 2004 and 2007. In terms of cost and delinquency, 61 percent of mortgages between 2004 and 2007 were considered high cost, and 21.93 percent of housing units were 90 or more days delinquent or in foreclosure.

The identified Webster Park Neighborhood received an NSP3 Impact Score of 4, meaning acquisition and rehabilitation or redevelopment of four properties would have a visible neighborhood impact. Moreover, selection of Webster Park as an Area of Greatest Need for NSP3 furthers investment from NSP1, where five properties were acquired and rehabilitated (two have since been sold).

Parker Street (Neighborhood ID: 3160186)



The Parker Street Neighborhood shown above received an NSP3 foreclosure need score of 19.9 (minimum State Threshold is 17), and contains 778 housing units. The residents of the Parker Street Neighborhood have the lowest incomes of the Areas of Greatest Need identified in this Plan, with 78.24 percent earning less than 80 percent of Area Median Income (AMI) and nine of 10 earning less than 120 percent AMI. Vacancy in Parker Street is estimated at 22.7 percent. Of the 778 total housing units, 87 percent received a mortgage between 2004 and 2007. In terms of cost and delinquency, 56.9 percent of mortgages between 2004 and 2007 were high cost, and 19.81 percent of housing units in this neighborhood were 90 or more days delinquent or in foreclosure.

The identified Parker Street Neighborhood received an NSP3 Impact Score of 2, meaning acquisition and rehabilitation or redevelopment of two properties in this neighborhood would have a visible impact. Further, two blighted properties were previously acquired, demolished and redeveloped through NSP1, so it is hoped that the additional NSP3 investment will build on previous activities and further stabilize

the neighborhood. Finally, in addition to the aforementioned NSP1 acquisitions, significant public and private investment has been made in the Parker Street Neighborhood since 2007. Partners including the Lakeland Community Redevelopment Agency (CRA), Parker Street Ministries, Keystone Challenge Fund, Inc., and Lakeland Habitat for Humanity have brought 10 new families to the neighborhood and rehoused another existing resident in a substantially improved property. These partners collectively have rehabilitated six units and created or redeveloped five new, increasing the rate of homeownership and at the same time revitalizing and stabilizing the neighborhood. Parker Street has not only been impacted by the foreclosure crisis, but also by blighted transient and permanent rentals, and high levels of crime and homelessness. Beyond housing, in the Winter of 2010 the Florida Department of Transportation (FDOT) and the CRA jointly funded \$800,000 in improvements to East Parker Street between North Massachusetts Avenue and North Lake Parker Avenue. The enhancements were to beautify the corridor, while providing improvements for bicyclists, pedestrians and transit riders. The changes included converting East Parker Street from a four-lane undivided roadway section to a two-lane divided roadway with bike lanes, landscaped medians and turn lanes at strategic locations. This project, as well as the previously described housing activities, demonstrate a high level of commitment to the Parker Street Neighborhood from not only the City, but from dedicated partners, each sharing a common goal to restore this valuable central city neighborhood.

[Hampton Hills \(Neighborhood ID: 7647277\)](#)



To date, staff has not encountered numbers of NSP-eligible foreclosed properties expected within the primary “Area of Greatest Need” identified in the substantial amendment [dated February 21, 2011](#), [resulting in \(1\) a slow acquisition pace within said area and \(2\) the inability to negotiate for and acquire NSP-eligible properties outside the primary area.](#) Other neighborhoods, in terms of foreclosure rates and properties, are proving in as much need as those identified in the [initial NSP3 substantial amendment](#). According to the data collected for the NSP3 application, the majority of the census tracts in Lakeland have a combined risk score of 18 or higher, which HUD has identified as having the greatest need due to high foreclosures and/or vacancies.

[Hampton Hills Neighborhood shown above received the maximum possible NSP3 foreclosure need score of 18 \(minimum State Threshold is 17\), and contains 583 housing units. A predominantly low income neighborhood where 40.2 percent of residents earn less than 80 percent of Area Median Income \(AMI\) and 67.7 percent earn less than 120 percent AMI. Of the 583 total housing units, 152 received a mortgage between 2004 and 2007. In terms of cost and delinquency, 24.5 percent of mortgages between 2004 and 2007 were considered high cost, and 13.6 percent of housing units were 90 or more days delinquent or in foreclosure.](#)

[The identified Hampton Hills Neighborhood received an NSP3 Impact Score of 3, meaning acquisition and rehabilitation or redevelopment of three properties would have a visible neighborhood impact. Moreover, selection of Hampton Hills as an Area of Greatest Need for NSP3 furthers investment from](#)

[NSP1 and new homebuyers seem to desire this upcoming neighborhood close to the mall and other businesses.](#)~~NSP3 activities in adjacent~~

Distribution of NSP3 funding will not be determined in a tiered approach, but will be distributed to the Areas of Greatest Need based on the availability of eligible residential property and the appropriateness of the activity at the specific location within the context of neighborhood impact.

3. Definitions and Descriptions

Definitions

Term	Definition
Blighted Structure	In context of local law, and titled Unsafe Residential Buildings, Section 103.2.1 of the City of Lakeland’s Housing Code defines Blighted Structure as any structure which is unsafe, unsanitary, unfit for human habitation, or which is not provided with adequate egress, or which constitutes a fire hazard, or is otherwise dangerous to human life.
Affordable Rents	The maximum Affordable Rents shall not exceed the Fair Market Rents (FMR) as published annually by the U.S. Department of Housing and Urban Development for the Lakeland/Winter Haven Metropolitan Statistical Area (MSA). The FY2011 Fair Market Rents are as follows: <ul style="list-style-type: none"> • 0 Bedroom \$663 • 1 Bedroom \$732 • 2 Bedroom \$843 • 3 Bedroom \$1,069 • 4 Bedroom \$1,254

Descriptions

Term	Definition
Long-Term Affordability	The City of Lakeland will ensure long-term affordability through the use of a written agreement and recorded deferred payment lien/mortgage which will run in favor of the City. Both the agreement and lien documents will include language providing for recapture of funds should the recipient(s) of assistance fail to meet the terms of said agreement. The City will use the minimum affordability periods outlined by the HOME Investment Partnership Program, 24 CFR 92.252 (a), (c), (e) and (f), and 92.254. The minimum affordability periods are as follows: <ul style="list-style-type: none"> • Up to \$15,000 5 Years • \$15,001 to \$40,000 10 Years • Over \$40,000 15 Years • New Construction 20 Years
Housing Rehabilitation	The City of Lakeland’s Neighborhood Services Division has adopted the

Standards	<p>General Bid Specifications (Property Standards) for use in its housing programs (included as attachment to this Plan). The City’s Building Inspection Division inspects construction activities to ensure compliance with applicable building, electrical, mechanical and plumbing codes. The City has adopted the following general building codes:</p> <ul style="list-style-type: none"> • New home construction - Florida Building Code 2004 Residential • Rehabilitation or alteration of existing homes - Florida Building Code 2004 Existing Building • Energy Code - Florida Building Code 2004 Building, Chapter 13, Florida Energy Code <p>Building codes are updated periodically and any future revisions shall be applicable and adopted for immediate use as part of NSP3.</p> <p>The General Bid Specifications (Property Standards) and the Florida Building Code shall govern all construction projects completed by the Neighborhood Services Division through NSP3. The Building Inspection Division shall inspect all construction project sites and components as appropriate to ensure compliance and in order to issue the required Certificates of Occupancy.</p> <p>Additionally, HUD has outlined specific requirements for NSP3, including:</p> <ul style="list-style-type: none"> • All gut rehabilitation or new construction of residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes. • All gut rehabilitation or new construction of mid or high rise multifamily units must be designed to meet the American Society of Heating, Refrigerating, and Air Conditioning Engineers Standard 90.1-2004, Appendix G plus 20% (which is the Energy Star Standard for multi-family buildings piloted by EPA and the Department of Energy). • Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, e.g. replace older obsolete products with Energy Star-46 labeled products. • Water efficient toilets, showers, and faucets, such as those with the WaterSense label, must be installed. • Where relevant, the housing should be improved to mitigate the impact of disasters, e.g. earthquake, hurricane, flooding, fires.
Vicinity Hiring	<p>It is the City of Lakeland’s policy to require its contractors to provide equal employment opportunity to all employees and applicants for employment without regard to race, color, sex, national origin, disability, marital status, or sexual orientation. Section 3 of the Housing and Urban Development Act of 1968 requires the City of Lakeland to ensure that employment and other economic and business opportunities generated by the Department of Housing and Urban Development (HUD), to the greatest extent feasible, be directed to low-income persons and business concerns that provide economic opportunities to low-income persons.</p>

	The City of Lakeland will incorporate Vicinity Hiring and Section 3 requirements in all procurements generated for use with NSP3 funding and follow the goal requirements outlined in 24 CFR Part 135 for awarding contracts to Section 3 business concerns. NSP3 will be marketed to potential Section 3 businesses located within the target area. Further, new jobs generated by NSP3 activities will, to the greatest extent feasible, be filled by low-income persons who reside within the target area. Subrecipients, contractors and subcontractors will be required to complete the “NSP3 Vicinity Hiring” form (included as attachment to this Plan).
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4. Low-Income Targeting

Low-Income Set-Aside Amount

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

Identify the estimated amount of funds appropriated or otherwise made available under the NSP3 to be used to provide housing for individuals or families whose incomes do not exceed 50 percent of area median income.

Response:

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

Total funds set aside for low-income individuals = \$325,785

Meeting Low-Income Target

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

Response:

Funding set-aside to provide housing for individuals or families whose incomes are at or below 50 percent of area median income will be used primarily for homeownership. Though a difficult proposition, the pride of homeownership and stabilizing nature of owner-occupied properties within the identified target areas make homeownership the preferred method of providing housing to families of very low income. However, in the event the markets in one or more of the established target areas will not support homeownership for very low income persons, the City will make NSP3-acquired properties available for rent, and to that end will recruit one or more partners with the capacity and track record to manage multiple scattered site single-family rentals.

The City of Lakeland does not expect to acquire any foreclosed multi-family properties with NSP3 funding, though if one or more such NSP3-eligible properties were to come available they would be evaluated for cost-feasibility and neighborhood impact.

5. Acquisition and Relocation

Demolition or Conversion of LMI Units

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

No

If yes, fill in the table below.

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

6. Public Comment

Citizen Participation Plan

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

Response:

The City of Lakeland’s Neighborhood Services Division advertised the Notice of Substantial Amendment to the 2010-2011 CDBG/HOME Action Plan in the local newspaper (The Ledger), outlining that the Substantial Amendment was available for public review on the City’s website (<http://www.lakelandgov.net/commdev/housing/>) from February 4 through February 19, 2011. Additionally, the Neighborhood Services Division made workshop presentations on the proposed Substantial Amendment to the MidTown Community Redevelopment Agency Advisory Board (CRA) on February 3, 2011, Citizens Advisory Committee (CAC) on February 7, 2011, Affordable Housing Advisory Committee (AHAC) on February 17, 2011, and to the City Commission on February 21, 2011.

Members of the City Commission, AHAC, CAC, and CRA provided feedback on the plan as follows:

- A member of the CRA asked if NSP3 funds can be used for multi-family rental, and were informed that yes, acquisition and rehabilitation of multi-family rental units is an eligible use of funds, provided the property is foreclosed or abandoned.
- A member of the CRA asked how a prospective buyer would qualify to purchase an NSP property. Staff outlined the process, eligible income levels, and assistance available.
- A member of the CRA remarked that identifying Webster Park as an NSP3 Area of Greatest Need was a good idea because of potential CRA investment in the neighborhood in the near future.
- A member of the CAC complimented inclusion of Parker Street as an NSP3 Area of Greatest Need. The member has volunteered with Habitat for Humanity in this neighborhood and has seen improvement over the past several years.

Staff received the following comments from the public:

- There were no comments received from the general public
- -No. 2 Amendment
- The Notice of Substantial Amendment was made available for the public review on the City’s website from September 17 – October 1, 2012. The plan was also presented to the City Commission on October 1, 2012 at a public hearing.

Summary of Public Comments Received.

The summary of public comments received is included above.

7. NSP Information by Activity

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

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

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

Activity Number 1	
Activity Name	Acquisition and Rehabilitation of Foreclosed Properties
Uses	Select all that apply: <input type="checkbox"/> Eligible Use A: Financing Mechanisms <input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation <input type="checkbox"/> Eligible Use C: Land Banking <input type="checkbox"/> Eligible Use D: Demolition <input type="checkbox"/> Eligible Use E: Redevelopment
CDBG Activity or Activities	24 CFR 570.201(a) - Acquisition 24 CFR 570.201(b) - Disposition 24 CFR 570.201(n) - Direct Homeownership Assistance 24 CFR 570.202(a) - Eligible rehabilitation and preservation activities for homes and other residential properties 24 CFR 570.206 - Activity delivery costs for an eligible activity
National Objective	Low Moderate Middle Income Housing (LMMH)
Activity Description	The City of Lakeland’s Neighborhood Services Division will identify, evaluate, negotiate and purchase eligible residential properties that have been foreclosed or vacant for at least 90 days, including costs for appraisals, title, environmental review, inspections, closing costs, and other project delivery and developer fees. The City will negotiate purchase prices that reflect the maximum feasible discount from the Current Market Appraised Value (CMAV), consistent with NSP3 regulations, taking into account the cost to the seller in terms of holding and carrying the property. Properties acquired under this Activity will be fully rehabilitated according to the previously outlined Housing Rehabilitation Standards. Once fully rehabilitated, properties acquired under this Activity will be marketed for sale to qualified buyers, with purchase assistance provided and secured by the City. Long-term affordability will be assured as outlined on page 7 of this Plan. It is anticipated that a portion of the funds associated with this Activity will be used for the acquisition and rehabilitation of housing to benefit individuals or

	<p>families whose incomes are at or below 50 percent of area median income. Purchase assistance will be provided and long-term affordability achieved as outlined on page 7 of this Plan.</p> <p>In Section 5 of this Plan the City outlined its intent not to use NSP3 to acquire, demolish or convert any units that would result in the involuntary displacement of Persons, as defined in 49 CFR 24.2(a)(21). All acquisitions completed under this activity will be voluntary, and none will result in displacement which would trigger the requirements of the Uniform Relocation and Real Property Acquisition Policies Act of 1970 (URA).</p> <p>All NSP3 subrecipients, contractors and subcontractors will be required to demonstrate efforts to achieve the Vicinity Hiring requirements of NSP3. These efforts are to provide for the hiring of qualified employees who reside in the vicinity of NSP3 projects and contracts with qualified small businesses that are owned and operated by persons residing within the target area vicinity. Subrecipients, contractors and subcontractors will be required to complete the “NSP3 Vicinity Hiring” form (included as attachment to this Plan).</p> <p>After considering the current makeup and markets within the Areas of Greatest Need outlined in this Plan, the City of Lakeland has chosen to focus its neighborhood stabilization efforts on homeownership. Each of the target areas, while predominantly single-family, includes significant numbers of investor-owned rental units, which have and continue to exacerbate the destabilizing nature of foreclosures and defaults in these neighborhoods. Though a difficult proposition, the pride of homeownership and stabilizing nature of owner-occupied properties within the identified target areas make homeownership the preferred method of providing housing to families through NSP3. However, in the event the markets in one or more of the established target areas will not support homeownership, the City will make NSP3-acquired properties available for rent, and to that end will recruit one or more partners with the capacity and track record to manage multiple scattered site single-family rentals.</p>	
Location Description	Lake Beulah; Webster Park; Parker Street; Hampton Hills	
Budget	Source of Funding	Dollar Amount
	NSP3	\$658,696
Total Budget for Activity	\$658,696	
Performance Measures	Six (6) housing units will be acquired, rehabilitated, and sold or rented.	
Projected Start Date	5/1/2011	
Projected End Date	4/30/2014	
Responsible Organization	Name	City of Lakeland
	Location	1104 Martin L. King, Jr. Avenue Lakeland, FL 33805
	Administrator Contact Info	(863) 834-3360 brian.rewis@lakelandgov.net

Activity Number 2	
Activity Name	Redevelopment of Demolished or Vacant Foreclosed Properties
Use	Select all that apply: <input type="checkbox"/> Eligible Use A: Financing Mechanisms <input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation <input type="checkbox"/> Eligible Use C: Land Banking <input type="checkbox"/> Eligible Use D: Demolition <input checked="" type="checkbox"/> Eligible Use E: Redevelopment
CDBG Activity or Activities	24 CFR 570.201(a) - Acquisition 24 CFR 570.201(b) - Disposition 24 CFR 570.201(m) - Construction Activities 24 CFR 570.206 - Activity delivery costs for an eligible activity
National Objective	Low Moderate Middle Income Housing (LMMH)
Activity Description	<p>The City of Lakeland's Neighborhood Services Division will identify, evaluate, negotiate and purchase eligible residential properties that have been foreclosed or vacant for at least 90 days, including costs for appraisals, title, environmental review, inspections, closing costs, and other project delivery and developer fees. The City will negotiate purchase prices that reflect the maximum feasible discount from the Current Market Appraised Value (CMAV), consistent with NSP3 regulations, taking into account the cost to the seller in terms of holding and carrying the property. Properties acquired under this Activity will either be vacant when acquired or because of the blighted nature of the home or homes on the property, will be demolished for redevelopment. Redevelopment construction activities will be completed according to the previously outlined Housing Rehabilitation Standards. Once fully redeveloped, properties acquired under this Activity will be marketed for sale to qualified buyers, with purchase assistance provided and secured by the City. Long-term affordability will be assured as outlined on page 7 of this Plan. It is anticipated that a portion of the funds associated with this Activity will be used for the acquisition and rehabilitation of housing to benefit individuals or families whose incomes are at or below 50 percent of area median income. Purchase assistance will be provided and long-term affordability achieved as outlined on page 7 of this Plan.</p> <p>In Section 5 of this Plan the City outlined its intent not to use NSP3 to acquire, demolish or convert any units that would result in the involuntary displacement of Persons, as defined in 49 CFR 24.2(a)(21). All acquisitions completed under this activity will be voluntary, and none will result in displacement which would trigger the requirements of the Uniform Relocation and Real Property Acquisition Policies Act of 1970 (URA).</p> <p>All NSP3 subrecipients, contractors and subcontractors will be required to demonstrate efforts to achieve the Vicinity Hiring requirements of NSP3. These efforts are to provide for the hiring of qualified employees who reside in the vicinity of NSP3 projects and contracts with qualified small businesses that are owned and operated by persons residing within the target area vicinity. Subrecipients, contractors and subcontractors will be required to</p>

	complete the “NSP3 Vicinity Hiring” form (included as attachment to this Plan).	
	After considering the current makeup and markets within the Areas of Greatest Need outlined in this Plan, the City of Lakeland has chosen to focus its neighborhood stabilization efforts on homeownership. Each of the target areas, while predominantly single-family, includes significant numbers of investor-owned rental units, which have and continue to exacerbate the destabilizing nature of foreclosures and defaults in these neighborhoods. Though a difficult proposition, the pride of homeownership and stabilizing nature of owner-occupied properties within the identified target areas make homeownership the preferred method of providing housing to families through NSP3. However, in the event the markets in one or more of the established target areas will not support homeownership, the City will make NSP3-acquired properties available for rent, and to that end will recruit one or more partners with the capacity and track record to manage multiple scattered site single-family rentals.	
Location Description	Lake Beulah; Webster Park; Parker Street; Hampton Hills	
Budget	Source of Funding	Dollar Amount
	NSP3	\$439,130
Total Budget for Activity	\$439,130	
Performance Measures	Eight (8) units will be redeveloped and sold or rented.	
Projected Start Date	5/1/2011	
Projected End Date	4/30/2014	
Responsible Organization	Name	City of Lakeland
	Location	1104 Martin L. King, Jr. Avenue Lakeland, FL 33805
	Administrator Contact Info	(863) 834-3360 brian.rewis@lakelandgov.net

Activity Number 3	
Activity Name	Demolition of Blighted Structures
Use	Select all that apply:
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms
	<input type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/> Eligible Use C: Land Banking
	<input checked="" type="checkbox"/> Eligible Use D: Demolition
<input type="checkbox"/> Eligible Use E: Redevelopment	
CDBG Activity or Activities	24 CFR 570.201(d) - Clearance and Demolition 24CFR 570.201(m) - Construction Activities 24 CFR 570.206 - Activity delivery costs for an eligible activity
National Objective	Low Moderate Middle Income Area Benefit (LMMA)
Activity Description	The City of Lakeland’s Neighborhood Services Division will identify qualified blighted residential structures within NSP3 areas of greatest need and eligible for demolition under this Activity. Said structures may be acquired for redevelopment under Activity 2 of this Plan, or may be demolished solely under Activity 3 as constituting a serious threat to the public health, safety

	<p>and welfare. In cases where demolition takes place absent acquisition of a foreclosed property, the demolition will have been duly authorized by the City of Lakeland’s Code Enforcement Board during a properly noticed public hearing.</p> <p>In Section 5 of this Plan the City outlined its intent not to use NSP3 to acquire, demolish or convert any units that would result in the involuntary displacement of Persons, as defined in 49 CFR 24.2(a)(21). All acquisitions completed under this activity will be voluntary, and none will result in displacement which would trigger the requirements of the Uniform Relocation and Real Property Acquisition Policies Act of 1970 (URA).</p> <p>All NSP3 subrecipients, contractors and subcontractors will be required to demonstrate efforts to achieve the Vicinity Hiring requirements of NSP3. These efforts are to provide for the hiring of qualified employees who reside in the vicinity of NSP3 projects and contracts with qualified small businesses that are owned and operated by persons residing within the target area vicinity. Subrecipients, contractors and subcontractors will be required to complete the “NSP3 Vicinity Hiring” form (included as attachment to this Plan).</p> <p>After considering the current makeup and markets within the Areas of Greatest Need outlined in this Plan, the City of Lakeland has chosen to focus its neighborhood stabilization efforts on homeownership. Each of the target areas, while predominantly single-family, includes significant numbers of investor-owned rental units, which have and continue to exacerbate the destabilizing nature of foreclosures and defaults in these neighborhoods. Though a difficult proposition, the pride of homeownership and stabilizing nature of owner-occupied properties within the identified target areas make homeownership the preferred method of providing housing to families through NSP3. However, in the event the markets in one or more of the established target areas will not support homeownership, the City will make NSP3-acquired properties available for rent, and to that end will recruit one or more partners with the capacity and track record to manage multiple scattered site single-family rentals.</p>	
Location Description	Lake Beulah; Webster Park; Parker Street; Hampton Hills	
Budget	Source of Funding	Dollar Amount
	NSP3	\$75,000
Total Budget for Activity	\$75,000	
Performance Measures	Demolish approximately five (5) blighted structures	
Projected Start Date	5/1/2011	
Projected End Date	4/30/2014	
Responsible Organization	Name	City of Lakeland
	Location	1104 Martin L. King, Jr. Avenue Lakeland, FL 33805
	Administrator Contact Info	(863) 834-3360 brian.rewis@lakelandgov.net

Activity Number 4		
Activity Name	Planning and Administration	
Use	Select all that apply:	
	<input type="checkbox"/>	Eligible Use A: Financing Mechanisms
	<input type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/>	Eligible Use C: Land Banking
	<input type="checkbox"/>	Eligible Use D: Demolition
<input type="checkbox"/>	Eligible Use E: Redevelopment	
CDBG Activity or Activities	24 CFR 570.206(a) - Planning and Administration	
National Objective	N/A	
Activity Description	NSP funds will be used to pay reasonable program administration costs related to the planning and execution of the activities listed above. This includes costs related to staffing for overall program management, coordination, monitoring, reporting, and direct and indirect costs.	
Location Description	N/A	
Budget	Source of Funding	Dollar Amount
	NSP3	\$130,313
Total Budget for Activity	\$130,313	
Performance Measures	N/A	
Projected Start Date	5/1/2011	
Projected End Date	4/30/2014	
Responsible Organization	Name	City of Lakeland
	Location	1104 Martin L. King, Jr. Avenue Lakeland, FL 33805
	Administrator Contact Info	(863) 834-3360 brian.rewis@lakelandgov.net

8. Budget

Budget			
Activity	Low-Income Set-Aside (≤50% AMI)	Moderate/Middle (51%-120% AMI)	Total Per Activity
1. Acquisition and Rehabilitation	\$164,674	\$494,022	\$658,696
2. Acquisition and Redevelopment	\$142,361	\$296,769	\$439,130
3. Demolition	\$18,750	\$56,250	\$75,000
4. Planning and Administration	N/A	N/A	\$130,313
TOTAL	\$325,785	\$847,041	\$1,303,139

(See revised budget 5/17/2011 at the end of document)

9. Certifications

Certifications for State and Entitlement Communities

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

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

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

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

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

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

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

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

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

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

(11) **The jurisdiction certifies:**

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

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

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

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

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

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

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

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

Signature/Authorized Official

Date

Title

<ul style="list-style-type: none"> • Affordable rents, • Ensuring long term affordability for all NSP funded housing projects, • Applicable housing rehabilitation standards for NSP funded projects 	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>

4. Low-Income Targeting

	Yes
Did you identify the estimated amount of funds appropriated to provide housing that meets the low-income set aside target?	<input checked="" type="checkbox"/>
Did you provide a summary describing how your jurisdiction will meet its low-income set aside goals?	<input checked="" type="checkbox"/>

5. Acquisition & Relocation

	Yes
For all acquisitions that will result in displacement did you specify:	
<ul style="list-style-type: none"> • The planned activity, 	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> • The number of units that will result in displacement, 	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> • The manner in which the grantee will comply with URA for those residents? 	<input checked="" type="checkbox"/>

6. Public Comment

	Yes
Did you provide your draft of the NSP3 substantial amendment for a minimum of 15 days for public comment?	<input checked="" type="checkbox"/>
Did you include the public comments you received on the NSP3 substantial amendment in your plan?	<input checked="" type="checkbox"/>

7. NSP Information by Activity

	Check all that apply
Did you include a description of all eligible NSP3 activities you plan to implement with your NSP3 award?	<input checked="" type="checkbox"/>
For each eligible NSP3 activity you plan to implement did you include:	

• Eligible use or uses?	<input checked="" type="checkbox"/>
• Correlated eligible CDBG activity or activities?	<input checked="" type="checkbox"/>
• Associated national objective?	<input checked="" type="checkbox"/>
• How the activity will address local market conditions?	<input checked="" type="checkbox"/>
• Range of interest rates (if any)?	<input checked="" type="checkbox"/>
• Duration or term of assistance?	<input checked="" type="checkbox"/>
• Tenure of beneficiaries (e.g. rental or homeowner)?	<input checked="" type="checkbox"/>
• If the activity produces housing, how the design of the activity will ensure continued affordability?	<input checked="" type="checkbox"/>
• How you will, to the maximum extent possible, provide for vicinity hiring?	<input checked="" type="checkbox"/>
• Procedures used to create affordable rental housing preferences?	<input checked="" type="checkbox"/>
• Areas of greatest need addressed by the activity or activities?	<input checked="" type="checkbox"/>
• Amount of funds budgeted for the activity?	<input checked="" type="checkbox"/>
• Appropriate performance measures for the activity (e.g. units of housing to be acquired, rehabilitated, or demolished for the income levels represented in DRGR) ?	<input checked="" type="checkbox"/>
• Expected start and end dates of the activity?	<input checked="" type="checkbox"/>
• Name and location of the entity that will carry out the activity?	<input checked="" type="checkbox"/>

8. Certifications

	Yes
Did you sign and submit the certification form applicable to your jurisdiction?	<input checked="" type="checkbox"/>

9. Additional Documentation

	Yes
Did you include a signed SF-424?	<input checked="" type="checkbox"/>

Budget

Budget			
Activity	Low-Income Set-Aside (≤50% AMI)	Moderate/Middle (51%-120% AMI)	Total Per Activity
1. Acquisition and Rehabilitation	\$164,674	\$475,272	\$639,946
2. Acquisition and Redevelopment	\$161,111	\$296,769	\$457,880
3. Demolition	-0-	\$75,000	\$75,000
4. Planning and Administration	N/A	N/A	\$130,313
TOTAL	\$325,785	\$847,041	\$1,303,139

Revised 5/17/2011