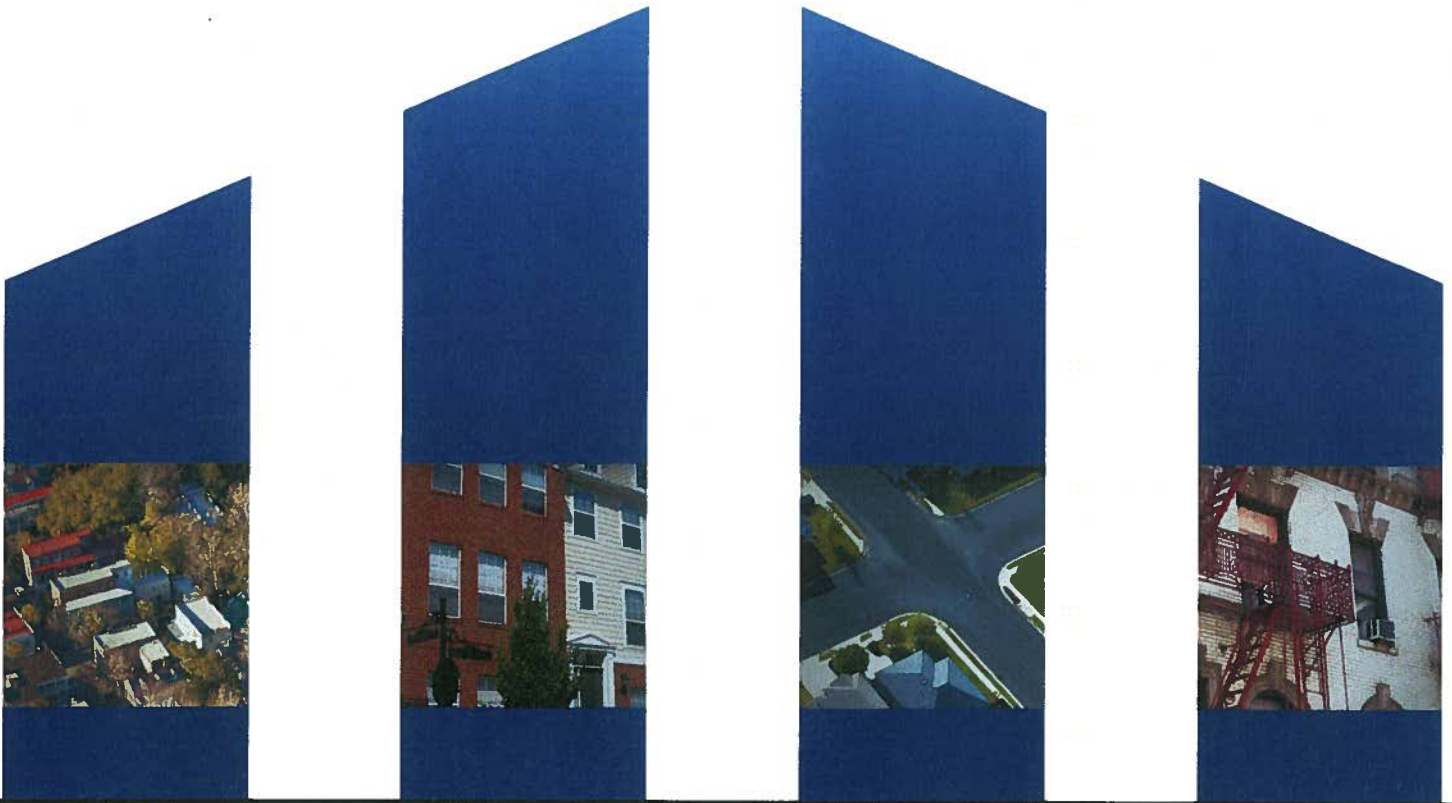




NSP3 Substantial Amendment **to the** **2008-2012 Consolidated Plan, including** **the 2010 Annual Action Plan**

February 28, 2011

Prepared by the DeKalb County, Georgia
Community Development Department



DeKalb County, Georgia - CEO and Board of Commissioners



Elaine Boyer District 1



Jeff Rader District 2



Larry Johnson District 3



Sharon Sutton District 4

Lee May District 5

Kathie Gannon District 6



Stan Watson District 7

Content

NSP3 ACTION PLAN - Sections

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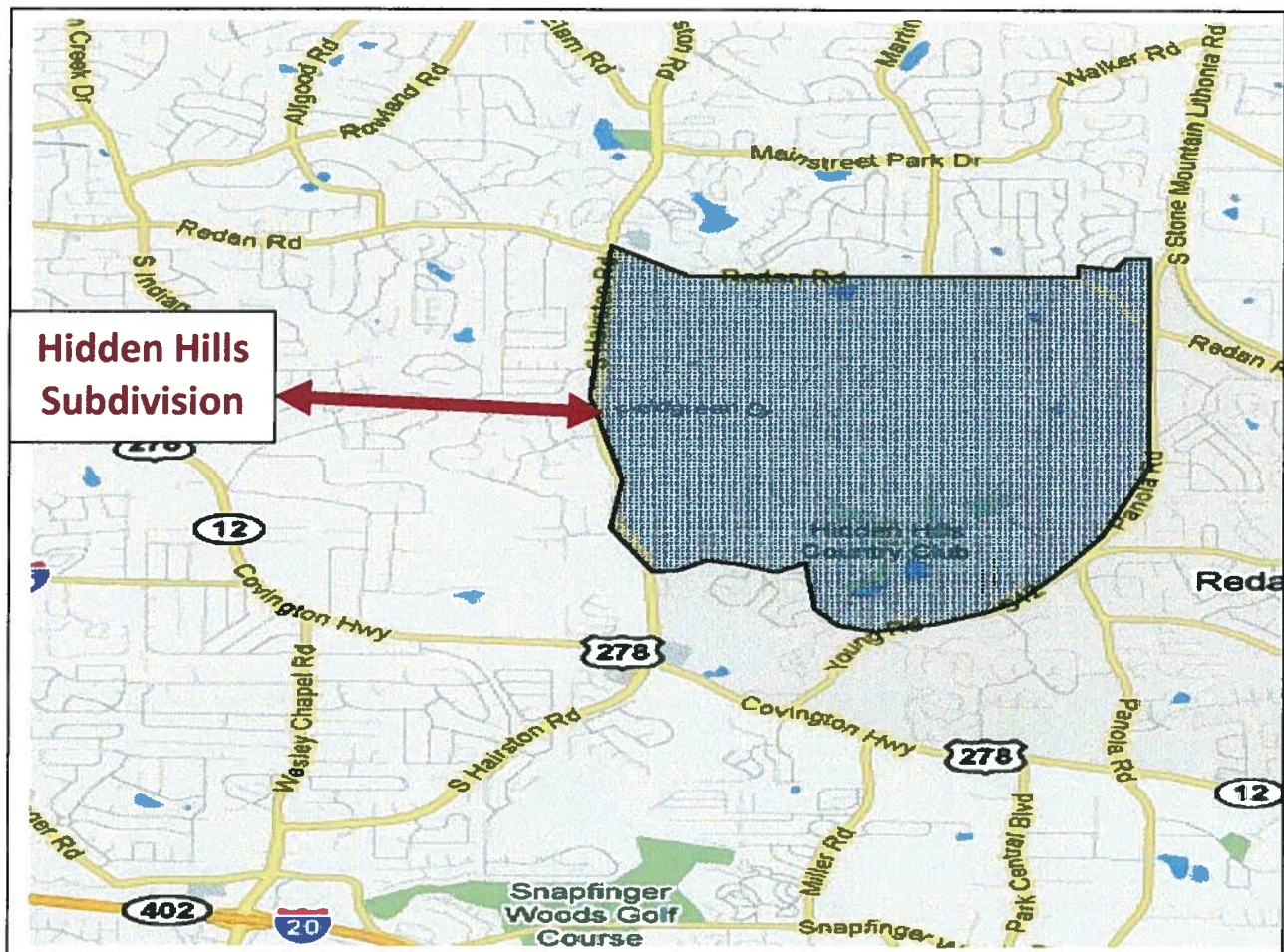
1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Chris Morris or Allen Mitchell
Email Address	chmorris@dekalbcountyga.gov - - amitchell@dekalbcountyga.gov
Phone Number	(404) 286-3308 or (404)-286-3351
Mailing Address	150 E. Ponce de Leon Ave., Suite 330, Decatur, GA 30030

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 in the Appendix Section. The map displayed below is a high level summary map of the "Target Area", Hidden Hills Subdivision, Stone Mountain, Georgia.



Data Sources Used to Determine Areas of Greatest Need

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

In order to develop an effective strategy for NSP3, DeKalb County partnered with Emory University, Dr. Michael Rich, to prepare a local market analysis. We familiarized ourselves with the NSP3 mapping tool, utilized existing information, worked with other County departments and coordinated with local stockholders and partners. The chart below identifies the market data indicators and data sources used.

Indicator	Derivation
REO properties	Estimate from statewide REO totals (or foreclosure starts) based on each block group's share of a state's estimated number of seriously delinquent loans
Seriously delinquent loans	Estimate based on rate of seriously delinquent loans times the number of mortgages made between 2004 and 2007. Block group estimates derived from census tract estimates.
USPS vacancies	Estimate based on census tract count of vacancies assigned to block groups based on block group's share of tract's estimated housing units, 2007
High cost mortgages	Census tract level rate assigned to block group- No variation across block groups in the same census tract

Constructed a Composite Need Index to Better Capture Variations in Foreclosure Data Across DeKalb County Neighborhoods:

Five dimensions of Data and need :

1. Characteristics of the Population
 2. General Market Conditions
 3. Foreclosure Risk
 4. Foreclosures
 5. Blight and Abandonment
- Level, Concentration, and Trend
 - Use of neighborhood-level data wherever possible

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.

The areas of greatest need were established after a team assessment of the County's substantial experience implementing NSP1 (\$18.5 million), the outstanding needs in the community, input from the community and stakeholders, and the results of the local market analysis conducted by Emory University. Additionally, a critical factor impacting how we would meet the requirement of utilizing 25% of the funds for individuals at or below 50% AMI is the large number of multi-family apartment complexes that exist in DeKalb and the number of units that have been foreclosed upon, blighted, and/or abandoned. Utilizing the data provided by HUD for Need Scores over 17, we initiated the local market analysis in partnership with Dr. Rich of Emory University to calculate a composite need index.

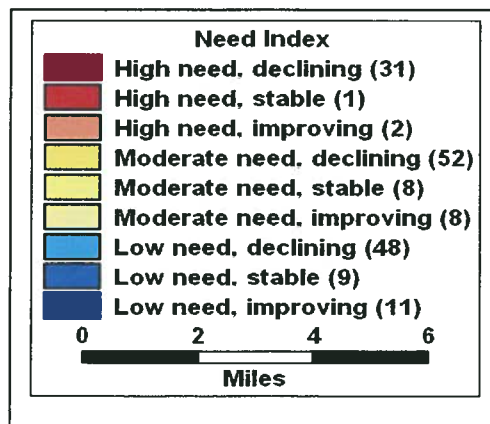
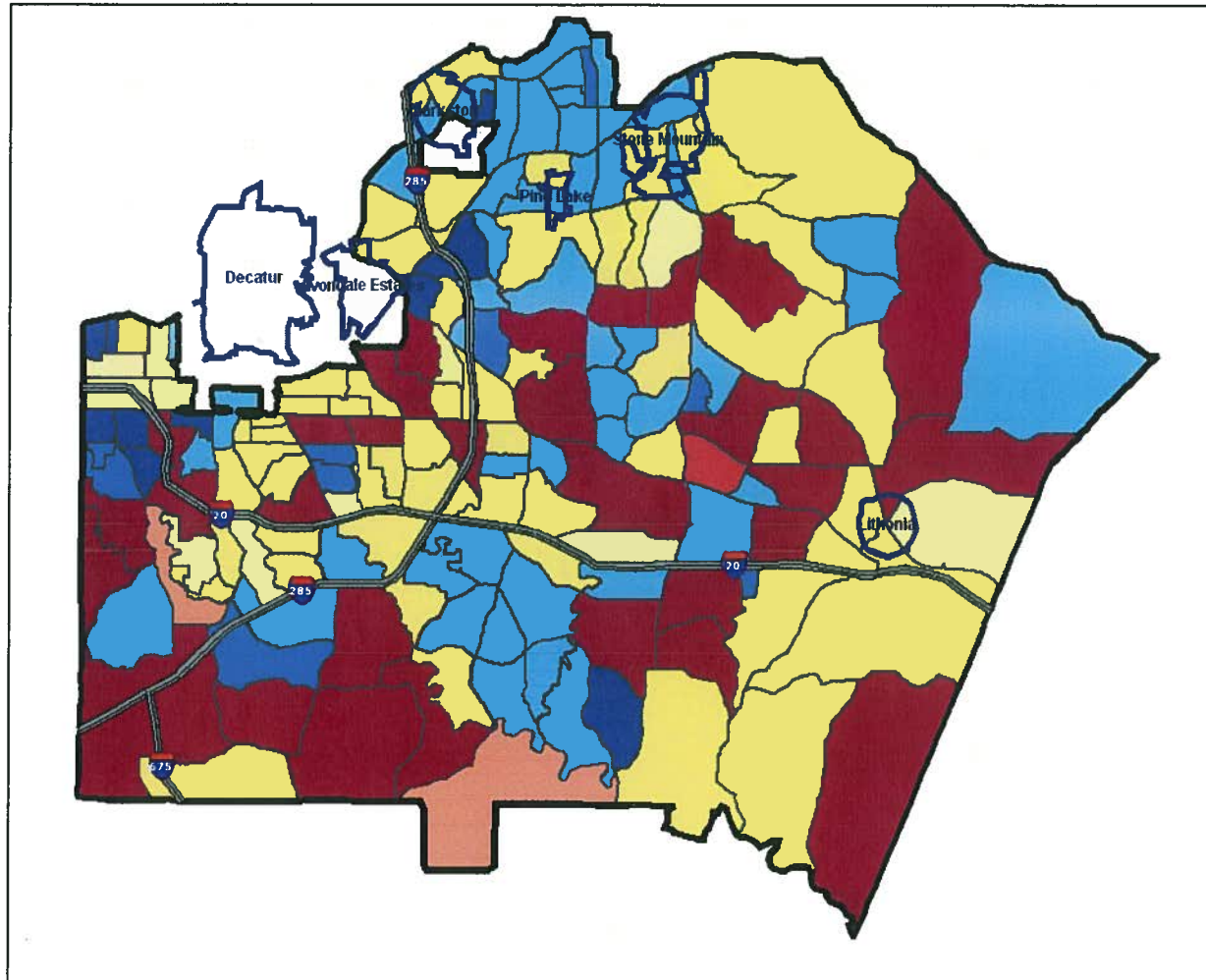
Calculating Composite Need Index:

1. **Combined standardized scores for each need dimension**
 1. Population Characteristics
 2. General Market Conditions
 3. Foreclosure Risk
 4. Foreclosures
 5. Blight and Abandonment
2. **Rank block groups on composite score; group into quintiles**
3. **Determine Direction of Neighborhood Change**
 - Food Stamps
 - Property Sales
 - Ratio Median Block Group Sales Price to County Median Sales Price
 - Foreclosures
 - Crime
4. **Combined quintile rank and direction of change into composite need index score**

Composite Need Index Charts Allow for Greater Differentiation Among Eligible Census Block Groups:

The next two graphs show a clearer prospective of the “areas of greatest need” with the HUD Foreclosure Need Score Chart (**MAP 2B**) providing less clarity, whereas the Emory University created “Composite Need Index Chart (MAP 2A)” showing considerably more clarity and facilitates greater decision making to ultimately select a focused “Target Area.”

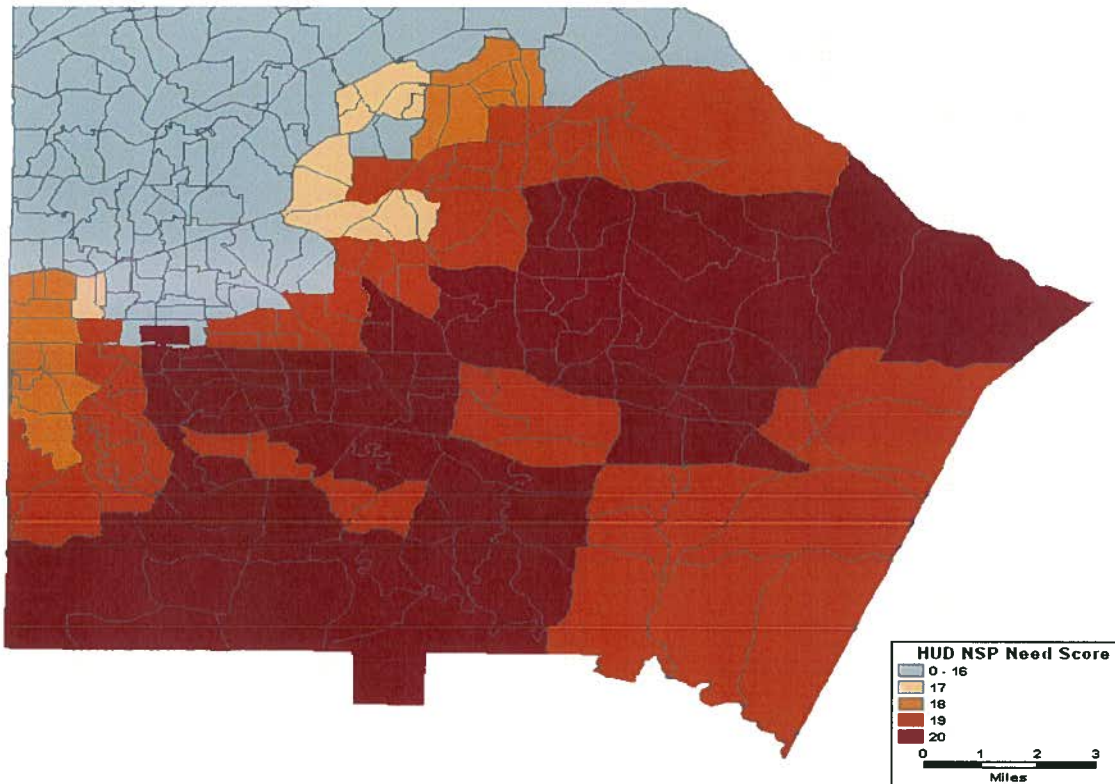
Composite Need Index
NSP3 HUD Need Scores of 18, 19, & 20
MAP 2A



HUD Foreclosure Need Score

18, 19, & 20

MAP 2B



The "Next Steps" required a review of:

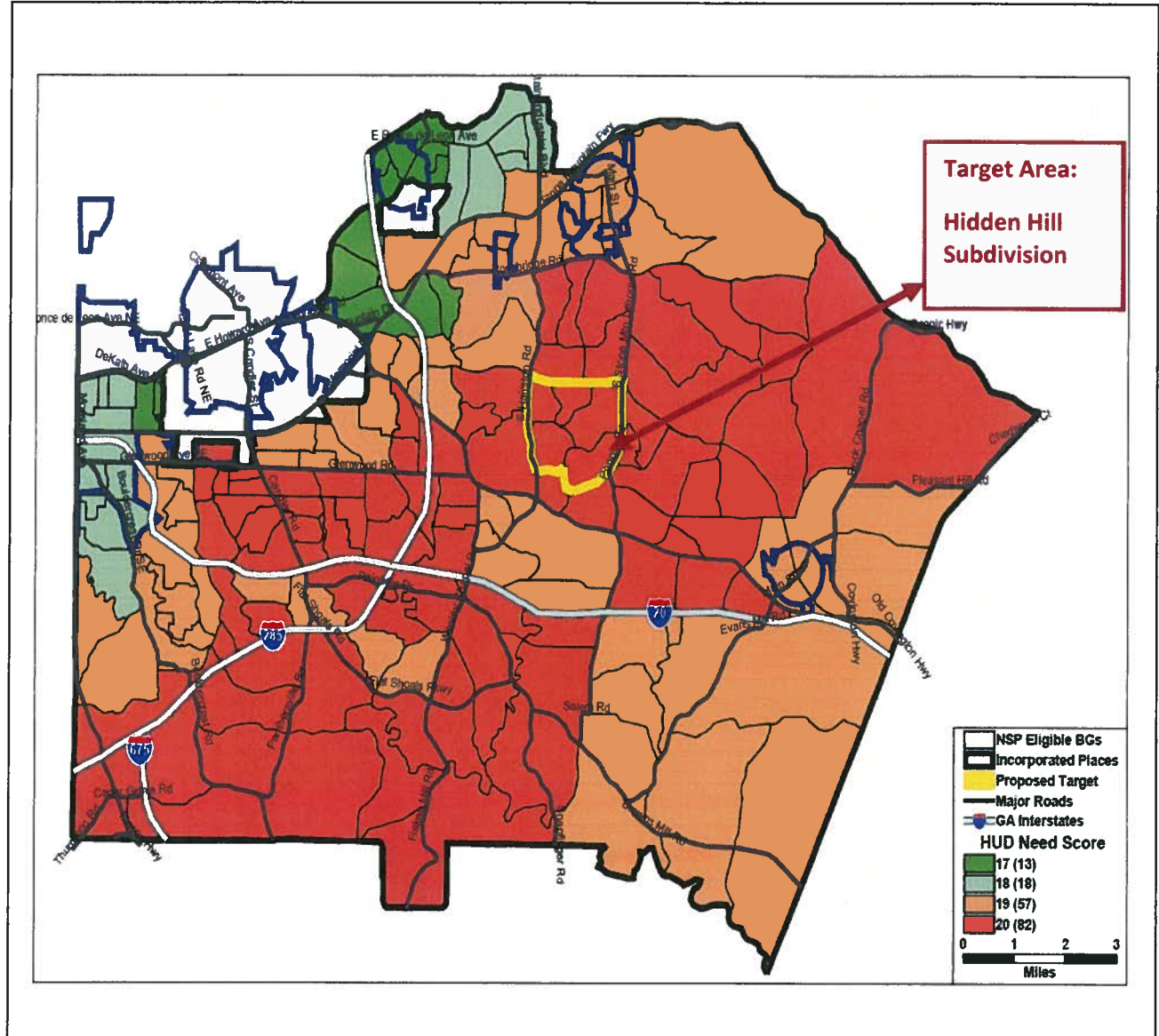
- Neighborhood context
- Neighborhood assets and amenities
- Civic engagements
- Related Public investments
- Assess feasible impacts

Target Area Recommendation:
Hidden Hills Neighborhood Area, Stone Mountain, GA

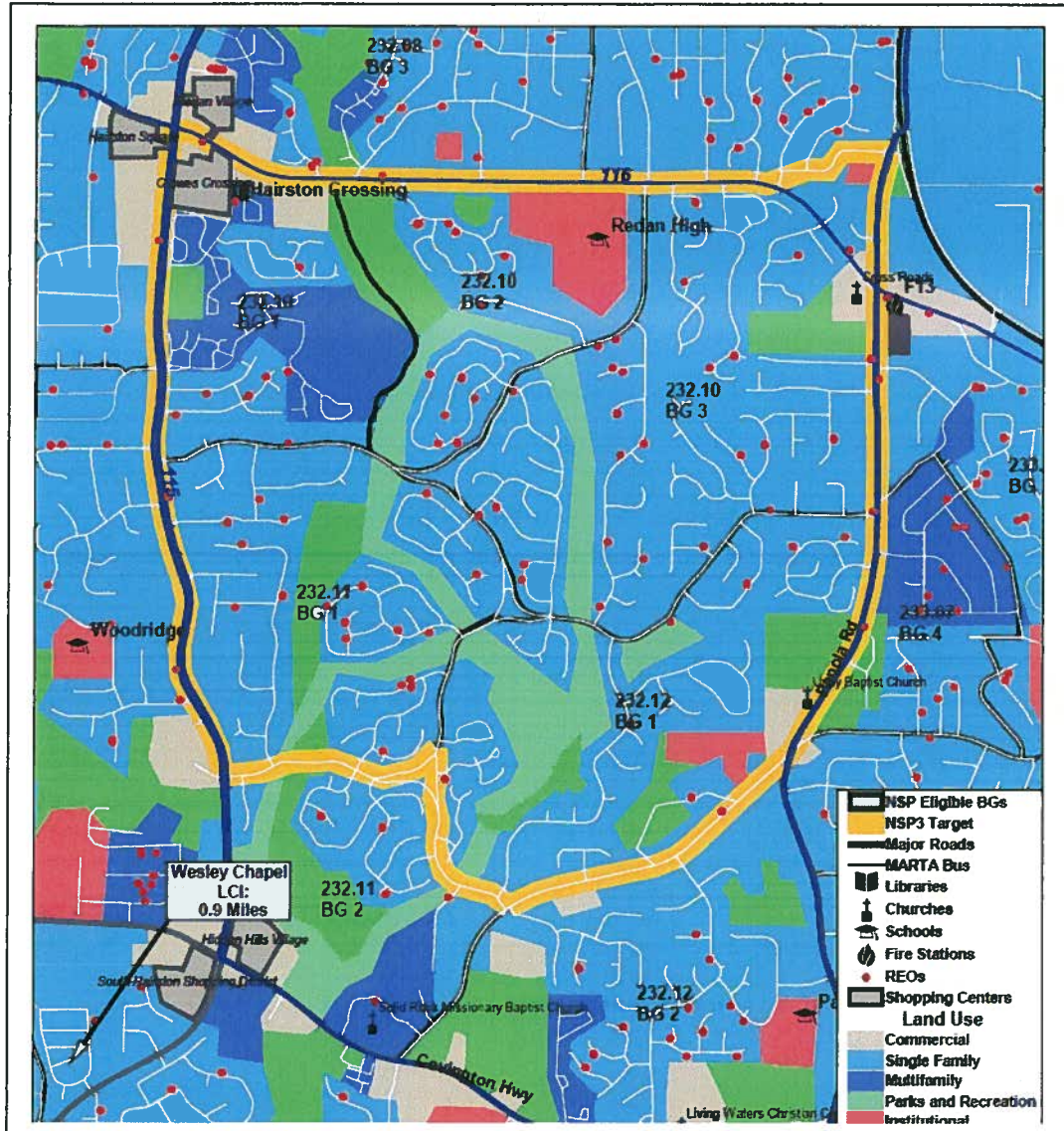


NSP3 Eligible Block Groups: HUD Need Score

MAP 2C



Proposed NSP3 Target Area
Hidden Hill Subdivision - MAP 2D



DeKalb County Selected Target Areas:

Census Block Groups: 232.12 – BG1; 232.11 - BG1; 232.10 – BG1;
 232.10 – BG3; 232.10 – BG2

3. Definitions and Descriptions

Term	Definition																														
Blighted Structure	<p>A structure that exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare.</p> <p>The DeKalb County local code defines a blighted structure as:</p> <ol style="list-style-type: none">1. An abandoned or vacant structure that constitutes a hazard to the health or safety of persons who may come on or near the property on which the structure is located and which is not fenced in or otherwise protected to reasonable prohibit public access thereto.2. A structure that is severely damaged by fire, storm or other natural or manmade causes which has remained in such damaged condition for a period of six (6) months or more and which constitutes a hazard to the health or safety of persons who may come on or near the property on which it is located.3. A structure that is in a condition of being partially constructed and construction thereon has ceased for a period of twelve (12) months or more and which constitutes a hazard to the health or safety of persons who may come on or near the property on which it is located.4. Any combination of the foregoing that would constitute a hazard to the safety and welfare of any person living on property located adjacent thereto.																														
Affordable Rents	<p>The County will use the HOME Program Rents published annually by HUD as the affordable rents for DeKalb County. (Source date 5/2010)</p> <table><tr><th>Metro Atlanta/DeKalb</th><th>Efficiency</th><th>1 BR</th><th>2BR</th><th>3BR</th></tr><tr><td>Low HOME rent</td><td>\$628</td><td>\$673</td><td>\$808</td><td>\$933</td></tr><tr><td>High HOME rent</td><td>\$757</td><td>\$820</td><td>\$912</td><td>\$1,109</td></tr><tr><td>Fair market rent</td><td>\$757</td><td>\$820</td><td>\$912</td><td>\$1,109</td></tr><tr><td>50% rent limit</td><td>\$628</td><td>\$673</td><td>\$808</td><td>\$933</td></tr><tr><td>65% rent limit</td><td>\$798</td><td>\$856</td><td>\$1,028</td><td>\$1,179</td></tr></table>	Metro Atlanta/DeKalb	Efficiency	1 BR	2BR	3BR	Low HOME rent	\$628	\$673	\$808	\$933	High HOME rent	\$757	\$820	\$912	\$1,109	Fair market rent	\$757	\$820	\$912	\$1,109	50% rent limit	\$628	\$673	\$808	\$933	65% rent limit	\$798	\$856	\$1,028	\$1,179
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Descriptions

Term	Definition
Long-Term Affordability	<p>The County will adopt a dual focused approach to ensure continued affordability for NSP assisted housing:</p> <ul style="list-style-type: none"> • Affordability at the citizen level in the use of housing obtained with NSP Funds. • Monitoring of HOME regulation requirements to maintain long term affordability. <p>Steps to ensure affordability are:</p> <p>Affordability at the citizen level</p> <p><u>Acquisition & Sale</u></p> <ul style="list-style-type: none"> • Purchase all property at the lowest possible price. • Negotiate with FHA, VA, Fannie Mae, Freddie Mac, and other lenders willing to work with the County, to purchase property at the best possible price. • In selecting property, give priority to property that requires less extensive rehabilitation, while remaining cognizant of the neighborhood stabilization goal. • Ensure that the mortgage amount does not exceed 2.5 - 3 times the purchaser's annual gross income. • Sell property for an amount less than the total NSP investment. We need to remain cognizant of the goals of affordability and stabilization. Prior to NSP implementation, the County will engage subject matter experts to assist in developing policies and guidelines in this process. • To avoid decreasing neighborhood value and maintain affordable mortgage payments, provide second mortgages to cover the difference between the appraised value and the buyer's first mortgage. The purchaser must qualify for a mortgage amount equal to 80% of the appraised value. Prior to NSP implementation, the County will engage subject matter experts to assist in refining policies and guidelines in this process. <p><u>Buyer Selection</u></p> <ul style="list-style-type: none"> • Give priority to buyers qualifying under the County's Workforce Force Housing definition. This definition includes public and private sector employees whose incomes are between 61% and 120% of the County's median family income. (Note that the ordinance states 125% but NSP has a cap of 120% of median family income.) • Require eight (8) hours of mandatory homeownership and financial management training. At least two (2) hours of the eight (8) hours will be one-on-one face to face counseling. The curriculum of the Housing Choice Voucher Program should be reviewed. • Prequalify all individuals as required by NSP regulations. • Examine consumers' debt to income ratio and ensure that buyers do not have excessive debt. Prior to NSP implementation, the County will

	<p>engage subject matter experts to assist in refining policies and guidelines in this process.</p> <ul style="list-style-type: none"> • We will consult with HUD approved counseling agencies to finalize the requirements. • The County will require all recipients of NSP3 funding to execute a mortgage, soft second mortgage, promissory note, and a declaration of restrictive covenants. These documents will be recorded in the Public Records and are enforceable mechanisms to insure continued affordability. <p><u>Resale & Recapture:</u></p> <p>If circumstances require the sale of NSP assisted property, the County will ensure that buyers retain at least a portion of their investment (if net revenues exist) while maintaining affordability. To preserve affordability of NSP assisted property, the County may place resale or recapture restrictions on property acquired with NSP funds. Recapture is subject to the limitation that when the recapture requirement is triggered by a sale (voluntary or involuntary) of the housing unit, and there are no net proceeds or the net proceeds are insufficient to repay the NSP3 investment due, the County can only recapture the net proceeds, if any. The net proceeds are the sales price minus superior loan repayment (other than NSP3 funds) and any closing costs.</p> <p>During the NSP implementation phase, the County will establish policy and guidelines governing the deployment of these options. Affordability periods, as shown in 24 CFR 92.254 will apply to NSP assisted property.</p> <p>The County may acquire NSP assisted property that is in jeopardy of foreclosure through right of first refusal or other preemptive right before foreclosure, acquire the housing at the foreclosure sale, undertake necessary rehabilitation, and provide assistance to another buyer, in accordance with the HOME guidelines shown in 24 CFR 92.254 (a)(ii)(9).</p> <p><u>Rental:</u></p> <p>The County will use the HOME Program Rents published annually by HUD as the affordable rents for DeKalb County. Additionally, households between 80% and 120% AMI will pay 30% of their adjusted income for rent and utilities. Their rent may not exceed the market rent for comparable, unassisted units in the neighborhood.</p> <p><u>Affordability through Monitoring HOME Regulation Requirements:</u></p> <p>The County will adopt the HOME regulations specified in the 24 CFR 92.252 and other HOME regulations as determined by the Community Development Director as the minimum program standards. The County has extensive HOME program monitoring experience. The monitoring methodology that we will implement for NSP funds used is documented in our 2008 – 2012 Consolidated Plan. NSP assisted units must satisfy the affordability</p>
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requirements for not less than the applicable period specified in the chart below. The affordability requirements apply without regard to the term of any loan or mortgage or the transfer of ownership. Affordability period will be imposed by deed restrictions and covenants.

Affordability Period Table for Homeownership

Homeownership Assistance HOME Amount Per Unit	Minimum Period Of Affordability In Years
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

Affordability Period Table for Rental Housing

Rental Housing Activity	Minimum Period Of Affordability In Years
Rehabilitation or acquisition of existing housing per unit of Home funds under \$15,000	5
\$15,000 - \$40,000	10
Over \$40,000 or rehabilitation involving refinancing	15
New Construction or acquisition of newly constructed housing	20

Housing Rehabilitation Standards

The DeKalb County local codes will determine the minimum housing rehabilitation standards for NSP assisted activities. However, The County may exceed those standards, depending upon the age and condition of the property.

A copy can be obtained from the County website:

www.dekalbcountyga.gov under the County Departments Tab – Community Development Department.

Please see “Standard Specifications For Residential Rehabilitation”.

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 = \$1,308,277

Meeting Low-Income Target

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

DeKalb will appropriate at least 25% of the NSP funds (\$1,308,277) and any received Program Income to assist individuals and families whose incomes do not exceed 50 percent of area median income. The project initiatives and activities will be ancillary to our DeKalb County Homeless Continuum of Care (COC) Plans. Our Homeless Advisory Council and community leaders have previously documented the various gaps in our COC. Of special note is our focus on women with children, veterans, and at-risk homeless families in hotels.

We will use the referenced 25% of NSP funds (\$1,308,277) and any received Program Income principally to generate rental units; preferably, in multifamily properties. The number of Low-Income Set-Aside units in each property will be in proportion to the NSP funds invested in comparison to the total project cost.

Our tactical plans include working with major developers to identify a multi-family eligible project. Specifically, the developer will rehabilitate the multi-family projects using our 25% set-aside NSP3 funds coupled with private leveraged funds, and possibly a construction loans obtained by developers. The identified NSP3 rental units will be exclusively dedicated to individuals at or below 50% of AMI. The NSP3 activity used for the 25% Set-Aside requirement is Activity A (Financing Mechanisms).

This rehabilitation project will be accomplished in one of the targeted areas with a need HUD Foreclosure Need score in excess of 17. We will deploy the following activities to accomplish our goals for individuals in this target area:

- Purchase abandoned/ foreclosed residential multi-family properties
- Purchase and rehabilitation abandoned/ foreclosed residential multi-family properties

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., $\leq 80\%$ of area median income)?

YES, however the County will not trigger URA, exclusively vacant, abandoned, blighted properties.

If yes, fill in the table below.

Question	Number of Units
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.	14
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).	0
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	0

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 County has a published Citizen Participation Plan that is being followed. The public information meeting to obtain community feedback regarding NSP3 was conducted on January 22, 2011. A flyer used to invite citizens and other key stakeholders was widely distributed to our local community and the announcement was posted on the County website. We are excited about the results as the public information meeting yielded significant input regarding our selection of targeted areas of greatest need. The Emory University Office of University and Community Partnerships presented local market analysis data for DeKalb County. The Community Development staff presented an NSP1 status, NSP3 Overview, and conducted a community feedback session. A detailed summary of the meeting is included in the application as an attachment.

Lastly, this NSP3 Substantial Amendment to the 2008-2012 Consolidated Plan, including the 2010 Annual Action Plan was posted on the County website, selected County Public Libraries, and our government office for at least 15 days for comments prior to submission to HUD. The feedback is included in Section 10 - Appendix of this document.

Summary of Public Comments Received.

The summary of public comments received is included as an attachment within Section 10 – Appendix.

7. NSP Information by Activity –Planned Use of NSP3 Funds

February 28, 2011

Neighborhood Stabilization Program 3 (NSP3)
Substantial Amendment to the 2008-2012 Consolidated
Plan, including the 2010 Annual Action Plan

DeKalb County Planned Use of NSP3 Funds

NSP Item	Activity	Proposed Funding	25% Set-Aside for 50% of AMI
A	Establish Funding Mechanisms for purchase & redevelopment	\$1,308,277	\$1,308,277 1 Multi-Family Loan
B	Purchase and Rehab Abandoned or Foreclosed Homes	\$3,139,863 26 Homes	
C	Establish Land Banks for Foreclosed Homes		
D	Demo Blighted Structures	\$261,655	
E	Redevelop Demolished or Vacant Properties		
F	Administration	\$523,310	
	TOTAL	\$5,233,105	\$1,308,277 (Included in totals)

NOTE:

Program income generated from the use of NSP3 funds will be returned to the County and reused for all eligible NSP3 activities.

Activity Number 1											
Activity Name	Financing Mechanisms										
Uses	<p>Select all that apply:</p> <table border="1"> <tr> <td><input checked="" type="checkbox"/></td> <td>Eligible Use A: Financing Mechanisms</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Eligible Use B: Acquisition and Rehabilitation</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Eligible Use C: Land Banking</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Eligible Use D: Demolition</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Eligible Use E: Redevelopment</td> </tr> </table>	<input checked="" 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
<input checked="" 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	<p>(A) Establish financing mechanisms for the purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-second, loan loss reserves, and shared-equity loans for low- moderate and middle-income homebuyers.</p> <p>Correlated Eligible Activity from the CDBG Entitlement Regulations:</p> <ul style="list-style-type: none"> • 24 CFR 570.202 Eligible rehabilitation and preservation activities for homes and other residential properties • Also, the eligible activities listed below to the extent financing mechanisms are used to carry them out. <ul style="list-style-type: none"> ○ Acquisition ○ Disposition ○ Relocation ○ Rehabilitation 										
National Objective	Serve limited clientele with incomes at or below 50% of Area Median Income (Low-Moderate-Middle-Income Clientele) –Low-Income Housing to meet 25% Set-Aside (LH25)										
Activity Description	<p>Through this activity, funds may be distributed in any of the “Areas of Greatest Need” in DeKalb County, as described in Section 2. (Areas of Greatest Need) of this Substantial Amendment. By providing mechanisms to finance a multi-family foreclosed or abandoned unit, the County can facilitate neighborhood stabilization while providing a means for income eligible persons to obtain affordable rental housing.</p> <p>The Consolidated Plan documents that more than 15,000 DeKalb renters who are at or below 50% Area Median Income (AMI) demonstrate “housing needs” (renters are cost burdened or housing is substandard). Our Continuum of Care Plan also documents that low income families cannot afford area average rents and many end up homeless or living in unacceptable housing conditions. The County plans to use at least 25% of the NSP3 allocation, plus at least 25% of program income, to address the long term housing needs of households at or below 50% of AMI.</p> <p>To foster affordable housing in DeKalb for households at or below 50% of</p>										

	<p>AMI, the County will work with strategic partners to provide financing mechanisms for the purchase of a multi-family property in one of the priority areas of greatest need. The financing options include the following:</p> <ul style="list-style-type: none"> a) Developer Loans b) Rehabilitation Loans <p>The loan terms will be precisely determined during the Loan Commitment Process, however the plan is to ensure repayment in 15 years at an interest rate that is low single digit. Variations in our terms will be dependent upon other factors in the project. (i.e. Developer leveraged funds, Developer equity, other commercial loans)</p> <p>To facilitate neighborhood stabilization, while fostering continued affordability, the County will focus on adherence to affordability guidelines and adherence to HOME regulations.</p> <p>The developer(s) selected must adhere to County Ordinances regarding hiring local persons residing in the area of the NSP3 project.</p>	
Location Description	<p>As noted above, all NSP3 activities will take place in the "Areas of Greatest Need" as described in Section 2 (Areas of Greatest Need) of this document. The anticipated benefit of this activity is to stabilize a community in DeKalb County through the rehabilitation of a multi-family property.</p>	
Budget	Source of Funding -	Dollar Amount -
	NSP3	\$1,308,277.00
	Private Equity from Developer	\$ TBD
	Commercial Loans via Developer	\$
Total Budget for Activity		\$1,308,277.00
Performance Measures	<p>Performance measurements were developed based on the budget assumptions shown in this Section. Displayed below is a summary of the matrix that we will use for tracking the activities delineated under the activity, Financing Mechanisms.</p>	

	Financing Mechanisms Performance Measurement			
	# of Single Family Loans for <50% AMI	# of Loans for 50% - 80% AMI	# of Loans for 81%-120% AMI	# of Multi-family Loans
	0	0	0	1 ¹
Note 1 – The County will evaluate multiple alternative.				
Projected Start Date	6/1/2011			
Projected End Date	6/1/2014			
Responsible Organization	<p>DeKalb County Community Development, located at 150 E. Ponce de Leon Ave., Decatur, GA 30030, will serve as the lead organization for this activity. Administrator/ Contact: Chris H. Morris, Director (404) 286-3308 chmorris@dekalbcountyga.gov or Allen Mitchell, Assistant Director (404)286-3351 amitchell@dekalbcountyga.gov</p> <p>The County will identify other partnering agencies and/or subrecipients through RFP, open application, and/or other processes as described in 24 CFR 85.36. All selected subrecipients and/or partnering agencies will have the capacity to manage and implement the extensive NSP regulations and requirements.</p> <p>Vicinity hiring objectives will be placed in the contracts of all NSP3 service providers.</p>			

Activity Number 2					
Activity Name	Purchase and Rehabilitate Homes and Residential 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 type="checkbox"/> Eligible Use E: Redevelopment				
CDBG Activity or Activities	<table border="1"> <thead> <tr> <th><u>NSP-Eligible Uses</u></th> <th><u>Correlated Eligible Activities from the CDBG Entitlement Regulations</u></th> </tr> </thead> <tbody> <tr> <td>(B) Purchase and Rehabilitate homes and residential properties that have been abandoned or foreclosed upon in order to sell, rent, redevelop such homes and properties</td> <td> <ul style="list-style-type: none"> • 24 CFR 570.201 (a) Acquisition, (b) Disposition, (i) Relocation, and (n) Direct homeownership assistance (as modified below); • 570.202 eligible rehabilitation and preservation activities for homes and others residential properties (HUD notes that rehabilitation may include counseling for those seeking to take part in the activity). </td> </tr> </tbody> </table>	<u>NSP-Eligible Uses</u>	<u>Correlated Eligible Activities from the CDBG Entitlement Regulations</u>	(B) Purchase and Rehabilitate homes and residential properties that have been abandoned or foreclosed upon in order to sell, rent, redevelop such homes and properties	<ul style="list-style-type: none"> • 24 CFR 570.201 (a) Acquisition, (b) Disposition, (i) Relocation, and (n) Direct homeownership assistance (as modified below); • 570.202 eligible rehabilitation and preservation activities for homes and others residential properties (HUD notes that rehabilitation may include counseling for those seeking to take part in the activity).
<u>NSP-Eligible Uses</u>	<u>Correlated Eligible Activities from the CDBG Entitlement Regulations</u>				
(B) Purchase and Rehabilitate homes and residential properties that have been abandoned or foreclosed upon in order to sell, rent, redevelop such homes and properties	<ul style="list-style-type: none"> • 24 CFR 570.201 (a) Acquisition, (b) Disposition, (i) Relocation, and (n) Direct homeownership assistance (as modified below); • 570.202 eligible rehabilitation and preservation activities for homes and others residential properties (HUD notes that rehabilitation may include counseling for those seeking to take part in the activity). 				
National Objective	Provide or improve permanent residential structures that will be occupied by households with incomes at or below 120% of Area Median Income (Low Moderate Middle- Income Households). (LMMH)				
Activity Description	<p>Through this activity, funds will be distributed in "Targeted Areas of Greatest Need" delineated in Section 2 of this plan. Specifically, the Census Block Groups identified in the Hidden Hills Subdivision, Stone Mountain, Georgia. By purchasing, rehabilitating, and disposing of foreclosed or abandoned units to households at or below 120% of Area Median Income (AMI), the County can facilitate neighborhood stabilization, while providing a means for households to acquire affordable housing. Through the use of NSP funds, the County will strategically incorporate modern, green building and energy-efficiency improvements in all NSP activities.</p> <p>The County has had great success in stabilizing neighborhoods through NSP1, HOME, and CDBG initiatives. The need for home ownership is in great demand in our County of over 750,000 citizens. Considering the price point of the planned NSP3 property acquisitions, we will have almost no difficulty locating income eligible individuals to acquire the REO's we plan to purchase in our designated Target Areas.</p> <p>In order to make safe, decent, and affordable housing available, DeKalb County plans to collaborate with strategic partners (as identified through RFP, open application, or other processes as described in 24 CFR 85.36).</p>				

To facilitate neighborhood stabilization, while fostering continued affordability, the County will focus on adherence to affordability guidelines at the household level and adherence to HOME regulations. Specifics of this two-pronged approach are listed below:

a) Affordability at the Household Level

i) Tenure of Benefits – Funds will be used to acquire single family homes aimed at homeownership.

- (1) Homeowners are eligible to participate in the NSP Homeownership program only once. Property acquired by homeowners in the NSP program is subject to the affordability periods and recapture or resale controls.**
- (2) Households renting units in properties developed with NSP funds are eligible to rent units in those properties during the affordability period for the property and as long as the household remains income eligible.**

ii) Acquisition

- (1) All property will be purchased at the lowest possible price.**
- (2) Properties will only be purchased in the Selected Target Area within the Hidden Hills subdivision. The specific Census Tracts are referenced below in the Location Description for this Activity.**
- (3) The County will negotiate with FHA, VA, Fannie Mae, Freddie Mac, and other lenders willing to collaborate with the County to purchase property at the best possible price.**
- (4) In the property selection process, the County will give highest acquisition priority to property that requires less extensive rehabilitation (while remaining cognizant of the neighborhood stabilization goal).**
- (5) To ensure neighborhood stabilization, the County will follow the guidance on Impact Scoring within the Target Areas by acquiring at least 20% of the available properties within the selected Census Tracts.**
- (6) The County will only consider acquiring property where clear title for all property is evident.**

iii) Buyer Selection

- (1) The County may give priority to buyers qualifying for Workforce Housing under the County's Workforce Housing Ordinance.**
- (2) The County will require eight hours of mandatory homeownership and financial management training (training curriculum to be equivalent to the Housing Choice Voucher Program curriculum).**
- (3) All households must be income eligible, as required by NSP regulations.**

- (4) The County will require the examination of households' debt to income ratio. Buyers may not have excessive debt. (The mortgage may not exceed 2.5 - 3 times their annual income).

iv) Sale

The County will sell property for less than the appraised value; but no more than the amount required by NSP regulations. To avoid decreasing neighborhood value, the County may provide a soft second mortgage to cover the difference between the appraised value and the amount of the purchaser's first mortgage. The purchaser must qualify for 80% of the appraised value of the property being purchased.

b) Affordability through Adherence to HOME Regulations

- i) To ensure continued affordability, DeKalb County will exercise the resale/recapture options. During the NSP implementation phase, the County will establish policies and guidelines governing the deployment of these options.
- ii) The affordability period will conform to 24 CFR 92.254, "Homeowner Affordability Requirements".

Affordability Period Table for Homeownership

<u>Homeownership Assistance HOME Amount Per Unit</u>	<u>Minimum Period of Affordability in Year</u>
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

- iii) Affordability period will be imposed by deed restrictions and covenants running with the land. Additional affordability requirements as seen in 24 CFR 92.252 may apply.

- iv) At the time of disposition of acquired and rehabilitated NSP3 properties, loans to income eligible individuals obtaining NSP3 properties will be recorded as soft second mortgages. The loan will be forgiven if the individual resides in the property throughout the affordability period and adheres to all other compliance requirements

	<u>Affordability Period Table for Rental Housing</u>	
	<u>Rental Housing Activity</u>	<u>Minimum Period of Affordability in Years</u>
	Rehabilitation or acquisition of existing housing per unit of HOME funds Under \$15,000	5
	\$15,000 - \$40,000	10
	Over \$40,000 or rehabilitation involving refinancing	15
	New construction or acquisition of newly constructed housing	20
Location Description	All NSP activities will occur in the “Areas of Greatest Need” as described in Section 2 of this Substantial Amendment. This Census Block Groups selected for the Target Area are as follows: 232.12 – BG1; 232.11 - BG1; 232.10 – BG1; 232.10 – BG3; 232.10 – BG2	
Budget	Source of Funding	Dollar Amount
	NSP3	\$3,139,863.00
	(Other funding source)	\$
	(Other funding source)	\$
Total Budget for Activity		\$3,139,863.00
Performance Measures	Performance measurements were developed under the assumption that the County will invest an average of \$120,764 per single-family unit for the purpose of purchase/ rehabilitation. The matrix below displays the objectives for this activity.	
	# of Homes for <50% AMI	# of Homes for 50% - 120% AMI
	0 Homes	26 Homes

Projected Start Date	6/1/2011	
Projected End Date	6/1/2014	
Responsible Organization	Name	<p>DeKalb County Community Development, located at 150 E. Ponce de Leon Ave., Decatur, GA 30030, will serve as the lead organization for this activity. Administrator/ Contact: Chris H. Morris, Director (404) 286-3308 chmorris@dekalbcountyga.gov or Allen Mitchell, Assistant Director (404)286-3351 amitchell@dekalbcountyga.gov .</p> <p>The County will identify other partnering agencies and/or subrecipients through RFP, open application, and/or other processes as described in 24 CFR 85.36. All selected subrecipients and/or partnering agencies will have the capacity to manage and implement the extensive NSP regulations and requirements.</p>
	Location	
	Administrator Contact Info	
		Vicinity hiring objectives will be placed in the contracts of all NSP3 service providers.

Activity Number 3		
Activity Name	Demolish 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	NSP Eligible Uses	Correlated Eligible Activities from the CDBG Entitlement Regulations
	(D)Demolish Blighted Structures	24 CFR 570.201(d) Clearance for blighted structures only
National Objective	Low Moderate Middle Income Area Benefit (LMMA)	
Activity Description	<p>Priority emphasis is placed on the "Areas of Greatest Need" as described in Section 2 of this Substantial Amendment. DeKalb County will contract with a partnering agency to clear, demolish, and remove buildings and improvements. Consideration will be given to buildings that pose safety concerns and violate environmental standards in the neighborhoods.</p> <p>Demolition will only be executed in areas where the HUD Need Score is greater than 17, and is in concert with other stabilization initiatives; NSP1, HOME, and CDBG. DeKalb County will consider combining this activity with other NSP activities to achieve the goal of creating safer neighborhoods and enhancing the overall appearance; thereby, increasing property value. Funds used under this activity will assist the County in creating safer neighborhoods for households below 50% AMI, as well as neighborhoods with households at or below 120% AMI.</p>	
Location Description	Specifics Census Block Groups that are greater than a HUD Need Score of 17	
Budget	Source of Funding	Dollar Amount
	NSP3	\$261,655.00
	(Other funding source)	\$
	(Other funding source)	\$
Total Budget for Activity		\$261,655.00

Performance Measures	The cost to demolish a single family property will average \$17,500 . This dollar amount includes site plans, inspections and contingencies. The following chart outlines our performance measurements for this activity.	
	Demolish Blighted Structures Activity Performance Measurements	
	Number of Properties Demolished with Allocated Funding	15 Units
Projected Start Date	6/1/2011	
Projected End Date	6/1/2014	
Responsible Organization	Name Administrator Contact Info Location	DeKalb County Community Development, located at 150 E. Ponce de Leon Ave., Decatur, GA 30030, will serve as the lead organization for this activity. Administrator/ Contact: Chris H. Morris, Director (404) 286-3308 chmorris@dekalbcountyga.gov or Allen Mitchell, Assistant Director (404)286-3351 amitchell@dekalbcountyga.gov The County will identify other partnering agencies and/or subrecipients through RFP, open application, and/or other processes as described in 24 CFR 85.36. All selected subrecipients and/or partnering agencies will have the capacity to manage and implement the extensive NSP regulations and requirements.
		Vicinity hiring objectives will be placed in the contracts of all NSP3 service providers.

Activity Number 4		
Activity Name	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 <input checked="" type="checkbox"/> Administration	
CDBG Activity or Activities	24 CFR 570.206	
National Objective	N/A	
Activity Description	<p>The DeKalb County Community Development Department will be responsible for the administration of the NSP3 program. The staff is extremely competent and is staffed with the correct set of skills. Currently, it manages NSP1 successfully with a grant award amount of \$18.5 million. Its other entitlement grants (CDBG, HOME, and ESG) total approximately \$9.0 million annually. A DeKalb County procurement process will be used to solicit developers and or subrecipients to enable the management of the NSP3 program. Thorough departmental policies and procedures are documented and are accessible.</p> <p>The expenditures for administration will not exceed 10% of the Grant award.</p>	
Location Description	The administration of the program will be conducted in the City of Decatur, Georgia where there is adequate space and other accessible resources.	
Budget	Source of Funding	Dollar Amount
	NSP3	\$523,310.00
	(Other funding source)	\$
	(Other funding source)	\$
Total Budget for Activity	\$523,310.00	
Performance Measures	Do not exceed 10% of the Grant Award and any received Program Income	
Projected Start Date	6/1/2011	
Projected End Date	6/1/2014	
Responsible Organization	Name Location Administrator Contact info	DeKalb County Community Development, located at 150 E. Ponce de Leon Ave., Decatur, GA 30030, will serve as the lead organization for this activity. Administrator/ Contact: Chris H. Morris, Director (404) 286-3308 chmorris@dekalbcountyga.gov or Allen Mitchell, Assistant Director (404)286-3351 amitchell@dekalbcountyga.gov

		<p>The County will identify other partnering agencies and/or subrecipients through RFP, open application, and/or other processes as described in 24 CFR 85.36. All selected subrecipients and/or partnering agencies will have the capacity to manage and implement the extensive NSP regulations and requirements.</p>
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8. Certifications

Certifications for State and Entitlement Communities

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

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

(3) Anti-lobbying. The jurisdiction must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR parts 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.

 (by direction)

Signature/Authorized Official
W. Burrell Ellis, Jr.

2/24/2011

Date

Title
Chief Executive Officer



DeKalb County

Richard Stogner
Chief Operating Officer

MEMORANDUM

TO: Chris Morris, Director – Community Development
FROM: Richard Stogner, Executive Assistant
DATE: September 22, 2010
SUBJECT: Direction to Executive Assistant

Please see the attached letter which confirms the Chief Executive Officer's direction to the Executive Assistant to execute on his behalf.



W. BURRELL ELLIS, JR.
CHIEF EXECUTIVE OFFICER

September 15, 2010

Mr. Richard Stogner
Executive Assistant
DeKalb County
1300 Commerce Drive
Decatur, Georgia 30030

Re: Direction to Executive Assistant

Dear Richard:

Although Georgia law does not require that I provide you with written direction, in an abundance of caution, this letter confirms my direction and authority given to you to execute on my behalf, pursuant to Sec. 14(b) of the DeKalb County Organizational Act, both County agreements, provided that law and/or the DeKalb County Board of Commissioners have authorized the execution of such County agreements, and requests for legal representation, provided that you adhere to the advice rendered by the County Attorney and that the relevant department head, if any, concurs with such advice.

Please let me know if you have any questions.

Sincerely yours,

W. Burrell Ellis, Jr.

cc: Barbara Sanders, Clerk to the BOC and CEO
Joel Gottlieb, Acting Director, Finance
Reginald D. Banks, Acting Director, Human Resources and Merit System
Lisa E. Chang, County Attorney

CLARK HARRISON BUILDING
330 W. PONCE DE LEON AVENUE
DECATUR, GEORGIA 30030
(404) 371-2881

FORM SF 424

APPLICATION FOR FEDERAL ASSISTANCE

OMB Approved No. 3076-0006

Version 7/03

1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	2. DATE SUBMITTED February 25, 2011 3. DATE RECEIVED BY STATE 4. DATE RECEIVED BY FEDERAL AGENCY	Applicant Identifier 061420535 State Application Identifier Federal Identifier GA139089 - DeKalb County
5. APPLICANT INFORMATION				
Legal Name: DeKalb County, Georgia		Organizational Unit: Department: Community Development Division:		
Organizational DUNS: 061420535		Name and telephone number of person to be contacted on matters involving this application (give area code)		
Address: Street: 150 E. Ponce de Leon Avenue, Suite 330		Prefix: Mrs.		
City: Decatur		First Name: Christine		
County: DeKalb		Middle Name H.		
State: Georgia		Last Name Morris		
Zip Code 30030		Suffix:		
Country: United States		Email: chnmorris@dekalbcountyga.gov		
6. EMPLOYER IDENTIFICATION NUMBER (EIN): <div style="border: 1px solid black; padding: 2px;"> 58-6000814 </div>		Phone Number (give area code) 404 286-3308		Fax Number (give area code) 404 286-3337
8. TYPE OF APPLICATION: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.)		7. TYPE OF APPLICANT: (See back of form for Application Types) B. County Government Other (specify)		
Other (specify)		9. NAME OF FEDERAL AGENCY: Department of Housing and Urban Development		
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: <div style="border: 1px solid black; padding: 2px;"> 14-256 </div>		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: Neighborhood Stabilization Program		
TITLE (Name of Program): Labor Management Cooperation Program				
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): DeKalb County, Georgia				
13. PROPOSED PROJECT Start Date: 06/01/2011		Ending Date: 06/01/2014		
15. ESTIMATED FUNDING:		14. CONGRESSIONAL DISTRICTS OF:		
a. Federal NSP3	\$	5,233,105		
b. Applicant	\$.		
c. State	\$.		
d. Local	\$.		
e. Other	\$.		
f. Program Income	\$.		
g. TOTAL	\$	5,233,105		
		a. Applicant Ga-004, Ga-005, Ga-006, Ga-013		
		b. Project Ga-004, Ga-005, Ga-006, Ga-013		
		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?		
		a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:		
		b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372 <input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW		
		17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No		
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.				
a. Authorized Representative				
Prefix Mr.	First Name W.		Middle Name Burrell	
Last Name Ellis		Suffix		
b. Title CEO - DeKalb County Government		c. Telephone Number (give area code) 404 371-2881		
d. Signature of Authorized Representative <i>William Ellis</i> (by direction)		e. Date Signed 2/24/2011		



DeKalb County

Richard Stogner
Chief Operating Officer

MEMORANDUM

TO: Chris Morris, Director – Community Development
FROM: Richard Stogner, Executive Assistant
DATE: September 22, 2010
SUBJECT: Direction to Executive Assistant

Please see the attached letter which confirms the Chief Executive Officer's direction to the Executive Assistant to execute on his behalf.



W. BURRELL ELLIS, JR.
CHIEF EXECUTIVE OFFICER

September 15, 2010

Mr. Richard Stogner
Executive Assistant
DeKalb County
1300 Commerce Drive
Decatur, Georgia 30030

Re: Direction to Executive Assistant

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Please let me know if you have any questions.

Sincerely yours,

W. Burrell Ellis, Jr.

cc: Barbara Sanders, Clerk to the BOC and CEO
Joel Gottlieb, Acting Director, Finance
Reginald D. Banks, Acting Director, Human Resources and Merit System
Lisa E. Chang, County Attorney

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DEKALB COUNTY

NSP3 ACTION PLAN - APPENDIX

- A. Public Information Meeting Summary – January 22, 2011
- B. Written Comments From Public Information Meeting – January 22, 2011
- C. Summary of Citizens Comments During the 15 Day Comment Period
- D. HUD NSP3 Mapping Tool – Map of Target Areas
- E. NSP3 Action Plan Contents Checklist

Appendix A

Public Information Meeting Summary – January 22, 2011

NEIGHBORHOOD STABILIZATION PROGRAM (NSP3)

DeKalb County Community Development Department

January 22, 2011

12:30 P.M.

Maloof Auditorium

Facilitator	Chris H. Morris, Director, Community Development Department
Literature/Handouts	Items were provided as handouts and literature at the Public Information Meeting: 1. PowerPoint Local Market Analysis- Dr. Rich of Emory University 2. PowerPoint – DeKalb County's NSP1 and NSP3 Program
Attendees	Approximately 80 DeKalb County Citizens attended the meeting and guest speaker Dr. Michael Rich of Emory University

Introduction & Purpose of the Public Information Meeting

Chris Morris, Director of the DeKalb County Community Development Department, opened the meeting with a welcome. Chris explained that DeKalb County has been allocated by the U.S. Department of Housing and Urban Development (HUD) approximately \$5.2 million in Neighborhood Stabilization Program (NSP3) funds. The objective of the public information meeting was to obtain community feedback regarding the implementation of NSP3, and the areas of greatest need for neighborhood stabilization in DeKalb County. A flyer used to invite citizens and other key stakeholders was widely distributed to our local community and the announcement was posted on the County website. We are excited about the results as the public information meeting yielded significant input regarding our selection of targeted areas of greatest need. The Emory University Office of University and Community Partnerships presented local market analysis data for DeKalb County. The Community Development staff presented an Executive NSP1 status, NSP3 Overview, and conducted a community feedback session. Additionally, Chris requested feedback and recommendation associated with the NSP3 program goals and program design.

Dr. Michael Rich and Dr. Moshe Haspel of Emory University's Office of University & Community Partnerships conducted the local market analysis for the program. The local market analysis is to help define which areas we need to designate for the NSP3 program. Dr. Rich gave a presentation on understanding markets and resources to identify target neighborhoods. Following Dr. Rich's presentation, the floor was opened for public input and discussion, and the next steps for NSP3. A question and answer session followed, with final comments by Chris Morris.

Public Comments

Chris Morris facilitated the Public Comment Session of the meeting and encouraged the attendees to present their comments orally and/or in written form. Below are the comments that were received by the public. Most were suggestions of areas they identified as having the greatest need for NSP3 funds:

1. Can areas of unincorporated Avondale Estates be considered for NSP funds, especially some of the more challenged rental properties?
2. Funds are needed for zip code areas: 30038, 30058, 30032, and 30088. Indicators are school closings, stores going out of business, and unemployment.
3. Can NSP3 address vacant lots in the 30032 area?
4. Earmark funds for lighting and landscaping in the Chapman Hills area.
5. Add the proximity of mass transit or light rail to target neighborhoods for the needs of employed commuters.
6. Create incentives for local groups or citizens to relocate in areas of need.
7. Funds are needed for the 30088 area (Park & Chapman's Mill areas)
8. Funds are needed Highland Park (East Lake Terrace & Second Avenue)
9. The Hidden Hills community should be targeted for NSP3 funds because it has always been the backbone of thriving communities of South DeKalb County. This large area of homes will make the biggest difference in the quality of life for businesses and individuals in the entire 30088 zip code.
10. We suggest the Main Street/South Hairston, Redan Road, Covington Highway.
11. I recommend that one of the focus areas is north of Covington Highway to Rockbridge Road including zip codes 30032, 30038, and 30088.
12. Focus (is needed) on the Wesley Chapel area, Glenwood Road, Lindsey Lane and Drive, and Covington area. This could bring back a lot of business in this area.
13. Focus should be on additional factors such as: community involvement, supporting resources, long and short-term impact, accessibility & functionality, support of commercial business venture, school zones, and long-term viability.
14. Stabilize seniors in trouble and bring young homeowners into targeted areas (Covington Highway, Redan Rd., Rockbridge Road, South Hairston Rd., Candler Road & Memorial Drive, and State Highways 154 & 155)

Chris Morris and staff responded to questions as they were asked. Everyone was encouraged to submit their comments in writing before leaving the meeting.

Chris Morris concluded the Public Information meeting at approximately 2:10 PM by thanking all attendees for coming and reminded them that additional comments can be made on the County's website at <http://www.co.dekalb.ga.us/commdev/publicNotices.html>

Written Comments

Written comments received at the meeting are attached in Appendix B.

NOTE: Names and addresses were removed for privacy and protection.

Appendix B

Written Comments from the Public Information Meeting – January 22, 2011

Suggested Areas

* Highland Park (East lake terrace)
2nd AVENUE

* ~~XX~~ Margaret Road area

- North of Covington Hwy
- Old Covington road

* Flat Shoals Pkwy,
Wesley Chapel
Rainbow
Panthersville
Haldrop

Bus
home
in street

NSP-3.

Area To Suggest

We Suggest The Main Street

S. Harriston — Redan —

Covington Hwy.

* Fresham, Flat Shoals V.I. - 20
Prison, owner occupied

* 285 - Wesley Chapel - Glenwood
Rd. - 30835

Spends as much as possible
in a concentrated area

~~Separates~~ Continue working on
~~Indicators~~ Added Hills overlay
Work on dark red areas

Indicators

Impact on business community

School Closings

Unemployment

Look at R45 Book for
indication

Available employment

I recommend that one of
the focus areas is North of
Covington Hwy to Rockledge
Road, including zip codes 30030,
30035, & 30085.

* ^{Redon} ~~Hidden Hills - Redon~~
^{Area} ~~Rockledge~~ - Covington Hwy
^{Focus} Stores going out of business

* Chapman Mills
landmark funds for
lighting, landscaping -
Create a model

* Midway Woods - Across
from Belvedere. Build
on momentum.
Where have we already
invested? Continue in
those areas

Submitted
on paper Focus on 30032

Focus on the Wesley Chapel Area
Glenwood Rd.

Lindsey Lane, Lindsey Dr.
Convector Area

This is could bring Back a lot
of Business in this area

Focus on red areas.
People in red area
assess ~~needs~~ ^{needs} collectively
→ Panola Rd, J. Harrison

Redan Rockledge -
many seniors

Vacant lots - C&A NSR3
address vacant lots

NSP3 Funding Recommendations

Defining final areas should focus on supporting additional factors such as

- Community involvement
- Supporting resources
- Area of greatest long and short-term impact
- Accessibility/functionality
- Support of commercial business venture & strengthening them
- Total school zones
(elem, middle, high schools)
- Long term community viability

My suggestion
is to focus
on ^{the} 30032. Focus
on vacant lots



Covington

Median

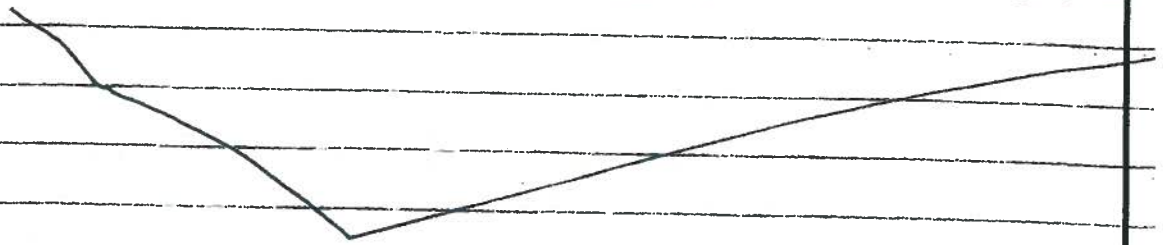
Rock bridge

South Houston

Home

1. Stabilize Seniors in Trouble
2. Bring Young Homeowners in
those areas

Candler & Memorial Dr



State Hwys 155 & 151



Proposal

Neighborhood Stabilization Community Empowerment Program Stabilizing and Empowering the Community

Under this initiative, single family residential homes which have been abandoned or foreclosed on would be purchased and rehabilitated with NSP3 funds. With oversight from the local community associations where the homes are purchased, the homes would be rented or sold under specific guide lines established by DeKalb County Community Development.

Proceeds from rents on homes minus taxes and fees would be earmarked for pre-approved community upkeep including landscaping of community entrances or common areas, lighting, community gardens, and other community projects pre-approved by DeKalb County Community Development.

Two homes in a community under the NSCEP could add \$12,000.00 annually to community upkeep, and improve the quality of life. And this initiative could also provide weekend jobs in the community for school students.

Proceeds from sales of homes would also be earmarked for community upkeep projects or reinvested into additional properties in the local community, approved by DeKalb County Community Development.

Under the Neighborhood Stabilization Community Empowerment Program (NSCEP), proceeds from rents or sales could not be used for personal expenses, or expenses not pre-approved by DeKalb County Community Development. Failure to comply with this stipulation would forfeit the community association's participation in NSCEP.

Open spaces are very desirable in communities, and add to the quality of life. Under the NSCEP open spaces in communities could be purchased and managed with NSP3 funds. And equipment to maintain and manage open spaces could also be purchased with NSP3 funds.

The Neighborhood Stabilization Community Empowerment Program (NSCEP) is not intended to replace established uses of NSP funds, but expand the uses to include quality of life improvements in communities.

The NSCEP can be implemented within 60 to 90 days if approved, and will give the affected local communities an active role in stabilization and quality of life improvements. The best way to determine the feasibility of NSCEP is to develop a model and test it.

There is no way for this proposal to anticipate every problem and question which may arise, but theoretically it will work, and I believe the results will be very promising.

I was very impressed with today's meeting on Neighborhood Stabilization, thank you for holding it. I met you last night at Commissioner Barnes-Sutton's budget meeting at the Avondale Baptist Church.

Like many others in our county, I'm concerned about blight and crime. My neighborhood, unincorporated Avondale Estates, did have some positive development in the mid 2000's, but we are seeing crime creep up from neglected multi-housing like the Oak Forest Apartments and others. You heard about that at the budget meeting.

My suggestions for the neighborhood stabilization focus are these:

1. Add the proximity of mass transit and/or light rail to target neighborhoods. Employed commuters need public transit.
2. Identify community gardens and local colleges, like Georgia Perimeter, who could offer student interns to partner with communities.
3. Artists have traditionally gone into low income areas and elevated property values. Offer contests for mural design on Memorial Ave, to replace billboards that are currently eyesores.
4. Incentives for local groups of citizens to relocate to these areas. I liked the idea of a loan program that Dekalb county may be able to offer for undeveloped housing.

I have volunteered for Commissioner Barnes-Sutton's upcoming Task Force for the Strategic Implementation Plan - to revitalize the Memorial Drive Corridor -and would like to be involved in any way I can with your office's efforts as well.

I recently moved back to Atlanta after living in other regions of the country for 14 years. I've owned my home in Avondale, just outside the city proper and near Scottdale, since 1987.

Enclosed is some background on my expertise in community organizing with various civic groups and non-profit organizations. Please open the attached Word document for information.

Thank you for your continued service to Dekalb County.

Redan

Park &

Chapman's
Mill

30088 area

Date:

The Hidden Hills
Community should be
targeted for MSP-3
funds because it has
always been the backbone
of thriving communities
of South Dakota county.
This large area of homes
will make the biggest
difference in the quality of
life for businesses + individuals
in the entire 57088 zipcode.

Highlights:

APPENDIX C

Summary of Citizens Comments During the 15 Day Comment Period

The NSP3 Substantial Amendment to the 2008-2012 Consolidated Plan, including the 2010 Annual Action Plan was posted on the County website, selected County Public Libraries, and our government office for at least 15 days for comments prior to submission to HUD. Additionally, PowerPoint's covering the NSP1 status, NSP3 highlights, and a Local Market Study conducted by Emory University, Dr. Michael Rich were posted to supplement the referenced Action Plan.

The County did not receive comments from the general public or DeKalb County citizens during the 15 "Public Comment Period."

Rationale/ Assumption:

It is our assumption that concerned citizens were thoroughly briefed in a previous Public Meeting with data and executive presentations that were thorough and compelling regarding NSP3 program design, proposed use of NSP3 funds, local market analysis, and the selected Target Area (Hidden Hills Subdivision, Stone Mountain, GA).

Additionally, familiarity with the NSP1 program and its effectiveness over the last two years has broadened the knowledge of most DeKalb County citizens. Lastly, the involvement of the Community Development Department in neighborhoods communicating about Stabilization has greatly increased the awareness of NSP3.

The previously stated factors, in our opinion, account for the lack of "Public Comment" during the 15 day Comment Period.

APPENDIX D

HUD NSP3 Mapping Tool – Map of Target Areas



MONDAY, FEBRUARY 07, 2011



Site 1

[HOME](#)[ABOUT PD&R](#)[RESEARCH FINDER](#)[PERIODICALS](#)[DATA SETS](#)

Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) addresses the problem of foreclosed up communities.

Enter an Address, city or state

[Go](#)

Georgia

Map Options : [Clear](#) | [Reset](#)Click Mode: [Zoom](#) | [Info](#)NSP3 Legend (%): [Tract Outline](#)

NSP3 Options

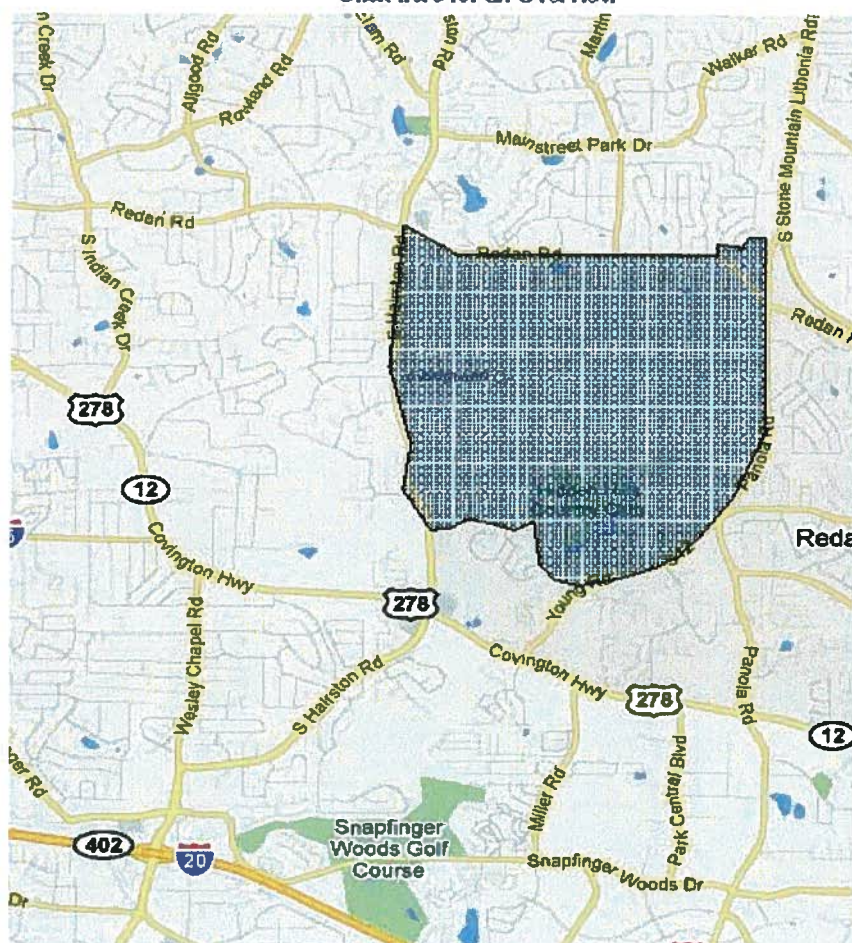
13 Current Zoom Level

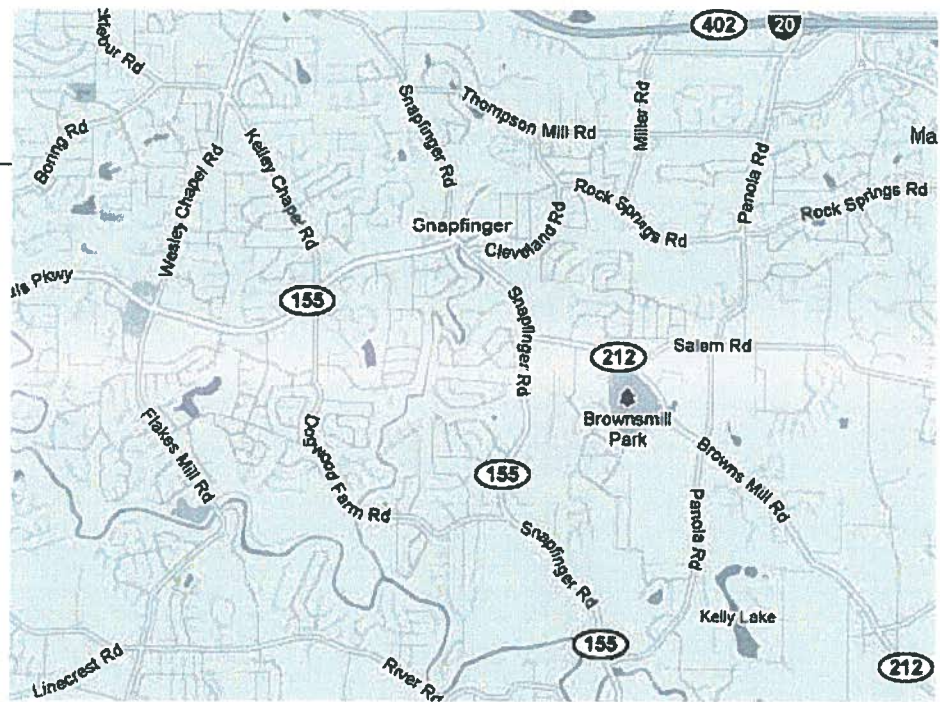
☐ Show Tracts Outline (Zoom 11+)[DRAW](#)[FINISH](#)[VIEW DATA](#)[VIEW PROJECTS](#)[METHODOLOGY](#)[INSTRUCTIONS](#)

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn.

Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.

If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.

[Click here for an Overview](#)



Neighborhood ID: 5970214

NSP3 Planning Data

Grantee ID: 1308900C

Grantee State: GA

Grantee Name: DEKALB COUNTY

Grantee Address:

Grantee Email: dmwu@dekalbcountyga.gov

Neighborhood Name: Hidden Hills Neighborhood

Date: 2011-02-07 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 20

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 4142

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 64.88

Percent Persons Less than 80% AMI: 33.51

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 4136

Residential Addresses Vacant 90 or more days (USPS, March 2010): 123

Residential Addresses NoStat (USPS, March 2010): 33

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 1494

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 43.36

Percent of Housing Units 90 or more days delinquent or in foreclosure: 15.15

Number of Foreclosure Starts in past year: 198

Number of Housing Units Real Estate Owned July 2009 to June 2010: 106

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 40

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -11.6

Place (if place over 20,000) or county unemployment rate June 2005': 5.7

Place (if place over 20,000) or county unemployment rate June 2010': 9.9

'Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-84.196472 33.762166 -84.192009 33.759883 -84.169693 33.759883 -84.169693 33.760739 -84.167633
33.760454 -84.166946 33.761310 -84.165573 33.761310 -84.165573 33.745753 -84.168320 33.740472
-84.171066 33.737474 -84.173126 33.735618 -84.175014 33.734762 -84.177933 33.733905 -84.181366
33.733334 -84.183426 33.733762 -84.184799 33.735047 -84.185314 33.738473 -84.187031 33.737759
-84.189091 33.738330 -84.190979 33.738616 -84.192524 33.737902 -84.194069 33.737759 -84.196472
33.741043 -84.195786 33.744611 -84.197674 33.750892

Blocks Comprising Target Neighborhood

130890232101000, 130890232101003, 130890232101001, 130890232101002, 130890232101004,
130890232101006, 130890232101007, 130890232101005, 130890232102000, 130890232102001,
130890232102002, 130890232103000, 130890232103001, 130890232103003, 130890232103014,
130890232103013, 130890232103012, 130890232103011, 130890232103010, 130890232103009,
130890232103008, 130890232103007, 130890232103006, 130890232103005, 130890232103004,
130890232103002, 130890232111000, 130890232111003, 130890232111004, 130890232111002,
130890232111001, 130890232111005, 130890232111007, 130890232111011, 130890232111010,
130890232111009, 130890232111008, 130890232121000, 130890232121002, 130890232121999,
130890232121006, 130890232121005, 130890232121004, 130890232121003, 130890232121001,
130890232092015,

APPENDIX E

Appendix: NSP3 Action Plan Contents Checklist

The checklist below is an optional tool for NSP3 grantees to help to ensure that all required elements of the NSP3 Substantial Amendment or the Abbreviated Plan are submitted to HUD. This checklist only includes the minimum required elements that must be included in the NSP3 Action Plan and grantees may want to add additional details. This document must be protected, as described above, in order to use the checkboxes in this checklist.

1. NSP3 Grantee Information

	Yes
Did you include the Program Administrator's name, address, phone, and email address?	<input checked="" type="checkbox"/>

2. Areas of Greatest Need

	Yes
Does the narrative description describe how funds will give priority emphasis to areas of greatest need?	<input checked="" type="checkbox"/>
Does the narrative description specifically address how the funds will give priority emphasis to those areas:	
• With the highest percentage of home foreclosures?	<input checked="" type="checkbox"/>
• With the highest percentage of homes financed by subprime mortgage related loan?; and	<input checked="" type="checkbox"/>
• Identified by the grantee as likely to face a significant rise in the rate of home foreclosures?	<input checked="" type="checkbox"/>
Did you create the area of greatest needs map at http://www.huduser.org/NSP/NSP3.html ?	<input checked="" type="checkbox"/>
Did you include the map as an attachment to your Action Plan?	<input checked="" type="checkbox"/>
ONLY Applicable for States: Did you include the needs of all entitlement communities in the State?	<input type="checkbox"/>

3. Definitions and Descriptions

	Yes
Are the following definitions and topics included in your substantial amendment?	

• Blighted structure in context of state or local law,	<input checked="" type="checkbox"/>
• Affordable rents,	<input checked="" type="checkbox"/>
• Ensuring long term affordability for all NSP funded housing projects,	<input checked="" type="checkbox"/>
• Applicable housing rehabilitation standards for NSP funded projects	<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

	NO
For all acquisitions that will result in displacement did you specify:	
• The planned activity,	<input type="checkbox"/>
• The number of units that will result in displacement,	<input type="checkbox"/>
• The manner in which the grantee will comply with URA for those residents?	<input 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	<input checked="" type="checkbox"/>

implement with your NSP3 award?	
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"/>

