

1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Grant, Kimberley
Email Address	kimberleygrant@colliergov.net
Phone Number	239-252-8442-6287
Mailing Address	3339 Tamiami Trail E., Suite 211, Naples, Florida 34112-5361

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.
<p>Response</p> <p>Collier County consulted local, state, and national data sources in determining the areas of greatest need. The use of myriad data sources allowed both a macro and micro and analysis of the areas of critical concern, local and national trends, forecasting future demand, and leveraging of existing resources. The goal of Collier County when determining the areas of greatest need was to stabilize neighborhoods, arrest decline, and produce a more sustainable, inclusive, and integrated community.</p> <p>Local Data</p> <p><u>Source:</u> Naples Area Board of Realtors Multiple Listing Service (MLS). <u>Qualifiers:</u> Excluded Marco Island, vacant land, commercial property, multi-family, and time-shares. Included mobile homes, manufactured homes, short sales, and foreclosures. All properties must have a minimum of 350 square feet. <u>Data Used:</u> Median sales price, median list price, number of listings, and number of sales from January 2010 to October 2010.</p> <p>The data provided a macro analysis of patterns and trends in the countywide residential real estate market. There continues to be a significant delta between the number of listings versus number of sales, and the median listing price versus the median sales price. For example, in October 2010 there were 434 sales compared to 7,966 properties listed; only 5.45% of properties listed for sale in October 2010 sold. Likewise, the median listing price in October 2010 was \$324,000 compared to a median sales price in the same month of \$165,000; the median sales price was approximately half of the median list price.</p> <p>It may be true that until these deltas display an extended decrease in severity, the local housing market will continue to struggle. However, the dichotomy between the rural housing market and the coastal housing market may distort the median data figures; thus, drawing conclusions at this level of analysis may be problematic. For example, the December 2010 sale of a home in the prestigious Port Royal community for \$14.55 million dollars will likely distort the countywide median sales price data for that period.</p>

Source: Various; compiled and reported in the U.S. Department of Housing and Urban Development's (HUD) *NSP3 Downloadable Data Files*.

Qualifiers: Data reflects market conditions for the second quarter of 2010. For further details, consult the "Data Dictionary" prepared by HUD and available at www.huduser.org/portal/datasets/NSP.html.

Data Used: Collier County was divided into 223 distinct areas by HUD when preparing data to assist in calculating the formula allocations amounts for NSP3. All data were used by HUD to calculate a NSP3 foreclosure need score ranging from one to twenty, with twenty being the worst. Locally, particular attention was paid to the following factors: foreclosure need score, percent low-moderate households, USPS vacancy rates, percentage of high-cost mortgages, and the estimate number of properties needed to make an impact.

In order to be eligible for participation in NSP3, an area must have a foreclosure need score of at least seventeen on the scale of twenty. Of the 223 areas HUD divided Collier County into, 206 have a foreclosure need score of at least 17 (92.38 percent). However, many of the areas would require expenditures in excess of the available NSP3 funding. Collier County must seek to deeply target funding into those areas where HUD believes we can make an impact based upon current market conditions and projections for future decline or instability.

Source: Collier County NSP1 experiences

Qualifiers: Collier County was allocated \$7,306,750 and successfully obligated 100 percent of the funds within 18 months. The program design generates program income upon sale to an income-qualified person or family. As such, activities are ongoing.

Data Used: Acquisition locations, average acquisition cost, average rehabilitation cost, and return of program income.

Collier County's NSP1 program has been successful in acquiring properties in focused geographical areas most adversely affected by the foreclosure crisis. When determining areas of greatest need for NSP3, consideration was given to properties approved using NSP1 funds. Furthermore, having already acquired over 70 properties with NSP1, Collier County has a considerable amount of data on costs. As such, we sought areas for NSP3 funding that we have adequate funding to make a real impact.

State Data

Source: Shimberg Center for Housing Studies, University of Florida.

Qualifiers: Data projects affordable housing needs based upon the 2000 Census. While this data is dated, the Center was established in 1988 by the Florida legislature (Section 240.5111, Florida Statutes) as the State's source of research relating to the problems and solutions associated with the availability of affordable housing in Florida. As such, one must consider the data in any analysis of affordable housing needs.

Data Used: Collier County used cost burdened household data, divided by home ownership and rental, to assess the types of housing units projected to meet an unmet need in the community. Cost burdened is defined as a household spending greater than 30 percent of household income on housing related expenses.

Analyzing data from the Shimberg Center, Collier County is projected to have an average annual increase of 739.55 cost burdened household units between 2010 and 2030. The data shows the increase by income range and housing type (home ownership versus rental) and may prove a valuable tool in the long range planning and implementation of the NSP3 program.

National Data

Source: Neighborhood Stabilization Program Resource Exchange and other sources

Qualifiers: Information was assembled to ensure Collier County's NSP3 areas of greatest need could be effectively served with the resources available using best practices, toolkits, and examples of successful implementations in NSP1 and NSP2. Finally, national media coverage on housing related issues was used to provide context within the broader economic crisis. Much of this data is not quantitative, but remains valuable when selecting target areas.

Data Used: Two toolkits available on the Neighborhood Stabilization Program Resource Exchange were of particular benefit when determining areas of greatest need: *Instructions for Completing the NSP3 Substantial Amendment or Abbreviated Action Plan* and the *NSP3 Program Design Guidebook*. Figure 1-2 in the *NSP3 Program Design Guidebook* was used to consider market types and the implications for program design. For example, in an area with low demand and high supply of eligible properties, Collier County may undertake demolition of blighted structures and land bank for future redevelopment.

National media coverage was used to provide a context within the broader economic crisis when planning activities and selecting areas of greatest need. Topics considered included, but were not limited to: the growth in families "doubling up" due to loss of income or foreclosure; decreasing local government budgets resulting in, among other things, fewer funds for maintaining abandoned houses and funding social service initiatives; challenges in providing effective homeless prevention; uncertainty surrounding certain documents used by banks during foreclosure proceedings; presence of "Chinese Drywall" in homes and the adverse effects on owners; the state of housing and the uncertainties surround future prices; Florida Economic Outlook: July 2010 (Wells Fargo).

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:

It is not proper, nor is it the intent, for the Collier County NSP3 to compete with the private market; the private market will take care of the private market. Rather, the Collier County NSP3 should deeply target those areas that are not attractive to private investors and homebuyers, and which are causing instability, deterioration, blight, and unstable conditions in the community.

For purposes of NSP3, HUD divided Collier County into 223 unique target areas. Providing this number of small target areas will permit Collier County to deeply target areas adversely impacted by the foreclosure crisis. However, the County's success will depend on the availability of eligible properties. As such, Collier County will employ a tiered approach.

Based upon data collected from NSP1, Collier County NSP3 allocation will fund activities on approximately thirty (30) units as funding allows. A tiered approach will further define within the general target area, sub-areas (or tiers), to ensure that the County is able to meet the impact criteria provided by HUD. Where funds are insufficient to meet the impact criteria, the County will seek other tiers in which funds may be deeply targeted and produce the results expected by HUD, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010

(Dodd-Frank Act).

Finally, when assessing tiers to target with NSP3, the County will consider properties assisted with NSP1. For example, the County has made great efforts to stabilize an area loosely defined as Golden Gate City. Further investment in this area and the associated tiers will maximum the effects of both NSP1 and NSP3. Additionally, the past and future use of NSP1 in conjunction with NSP3 may assist the County in meeting the impact criteria.

The following have been selected as the target areas for Collier County's NSP3:

Target Area One – Golden Gate City (HUD Neighborhood ID 1108764)

- Tier One – Census Tract 0104.10
 - GeoID 120219230126300010410U1
 - GeoID 120219230126300010410U2
 - GeoID 120219230126300010410U3
- Tier Two - Census Tract 104.19
 - GeoID 1202101419
- Tier Two - Census Tract 104.20
 - GeoID 1202101420
- Tier Three – Census Tract 0104.11
 - GeoID 120219230126300010411U1
 - GeoID 120219230126300010411U2
 - GeoID 120219230126300010411U3
 - GeoID 120219230126300010411R3
 - GeoID 120219230126300010411R1

Target Area Two – East Naples Bayshore Gateway CRA (HUD Neighborhood ID 3981140)

- Tier One – Census Tract 0107.01
 - GeoID 120219230199999010701U4
 - GeoID 120219230199999010701U1
 - GeoID 120219230199999010701U2
 - GeoID 120219230199999010701U3
 - GeoID 120219230199999010701R2

Please note that the above data is presented and identified as contained in HUD's NSP3 Mapping Tool. Copies of the reports are attached to this application.

3. Definitions and Descriptions

Definitions

Term	Definition
Blighted Structure	In conformance with Section 163.340, Florida Statutes, a "blighted structure" means a structure that is deteriorated, or deteriorating, in which conditions,



	<p>as indicated by government-maintained statistics or other studies, are leading to economic distress or endangering life or property, and in which two or more of the following factors are present:</p> <ul style="list-style-type: none"> a) Predominance of defective or inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities; b) Aggregate assessed value of real property in the area for ad valorem tax purposes have failed to show any appreciable increase over the 5 years prior to the finding of such condition; c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness; d) Unsanitary or unsafe conditions; e) Deterioration of site or other improvements; f) Inadequate and outdated building density patterns; g) Falling lease rates per square foot of office, commercial, or industrial space compared to the remainder of the county or municipality; h) Tax or special assessment delinquency exceeding the fair value of the land; i) Residential and commercial vacancy rates higher in the area than in the remainder of the county or municipality; j) Incidence of crime in the area higher than in the remainder of the county or municipality; k) Fire and emergency medical service calls to the area proportionately higher than in the remainder of the county or municipality; l) A greater number of violations of the Florida Building Code in the area than the number of violations recorded in the remainder of the county or municipality; m) Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area; or n) Governmentally owned property with adverse environmental conditions caused by a public or private entity. <p>However, the term "blighted structure" or "blighted area" also means any structure or area in which at least one of the factors identified in paragraphs (a) through (n) are present and all taxing authorities subject to s. 163.387(2)(a) agree, either by interlocal agreement or agreements with the agency or by resolution, that the structure or area is blighted.</p>
Affordable Rents	<p>24 CFR § 92.252</p> <p>Rents shall not exceed the Fair Market Rents (FMR) as published annually by HUD for the Naples – Marco Island Metropolitan Statistical Area (MSA). Furthermore, the maximum rent are the lesser of:</p> <ul style="list-style-type: none"> 1) The fair market rent for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111; or 2) A rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65 percent of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit.



Furthermore, when the NSP3 assisted unit is occupied by very low-income families the rent requirements are:

- 1) The rent does not exceed 30 percent of the annual income of a family whose income equals 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. However, if the rent determined under this paragraph is higher than the applicable rent under paragraph (1) or (2) of this section, then the maximum rent for units under this paragraph is that calculated under paragraph (1) or (2) of this section; and
- 2) The rent does not exceed 30 percent of the family's adjusted income. If the unit receives Federal or State project-based rental subsidy and the very low-income family pays as a contribution toward rent not more than 30 percent of the family's adjusted income, then the maximum rent (i.e., tenant contribution plus project-based rental subsidy) is the rent allowable under the Federal or State project-based rental subsidy program.

Descriptions

Term	Definition										
Long-Term Affordability	<p>24 CFR 92.252(a), (c), (e), and (f), and 92.254</p> <p><u>Rental: Long-Term Affordability</u> The NSP3-assisted units must meet the affordability requirements for not less than the applicable period specified below, beginning after project completion. The affordability requirements for NSP3-assisted rental units apply without regard to the term of any loan or mortgage or the transfer of ownership, except that the affordability restrictions may terminate upon foreclosure or transfer in lieu of foreclosure. Collier County will enforce long-term affordability through the use of a recorded lien, covenant, or deed restriction against the assisted property.</p> <table border="1" data-bbox="535 1354 1412 1627"> <thead> <tr> <th>Rental housing activity</th> <th>Minimum period of affordability in years</th> </tr> </thead> <tbody> <tr> <td>Rehabilitation or acquisition of existing housing per unit amount of NSP3 funds: Under \$15,000.....</td> <td>5</td> </tr> <tr> <td>\$15,000 to \$40,000.....</td> <td>10</td> </tr> <tr> <td>Over \$40,000 or rehabilitation involving refinancing.....</td> <td>15</td> </tr> <tr> <td>New construction or acquisition of newly constructed housing.....</td> <td>20</td> </tr> </tbody> </table> <p>Subsequent rents during the affordability period will be calculated and applied in conformance with 24 CFR 92.252(f).</p> <p><u>Homeownership: Long-Term Affordability</u> The NSP3-assisted housing must meet the affordability requirements for not less than the applicable period specified in the following table, beginning</p>	Rental housing activity	Minimum period of affordability in years	Rehabilitation or acquisition of existing housing per unit amount of NSP3 funds: Under \$15,000.....	5	\$15,000 to \$40,000.....	10	Over \$40,000 or rehabilitation involving refinancing.....	15	New construction or acquisition of newly constructed housing.....	20
Rental housing activity	Minimum period of affordability in years										
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New construction or acquisition of newly constructed housing.....	20										

after project completion. These restrictions are a minimum and Collier County may elect to impose longer affordability periods. The per unit amount of NSP3 funds and the affordability period that they trigger are described more fully below under “Homeownership: ~~Recapture~~ Resale Provisions.”

Homeownership assistance NSP3 amount per-unit	Minimum period of affordability in years
Under \$15,000.....	5
\$15,000 to \$40,000.....	10
Over \$40,000.....	15

~~Homeownership: Recapture Provisions~~ Homeownership: Long Term

The ~~recapture provisions will ensure that Collier County or their designated Developer recoups all or a portion of the NSP3 assistance benefiting the homebuyer, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability. The period of affordability is based upon the total amount of NSP3 funds subject to recapture described above.~~

Collier County may choose to recapture the entire amount of NSP3 assistance or a reduced amount on a prorata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period. The net proceeds may be divided proportionally as set forth in the following mathematical formulas:

$$\frac{\text{NSP3 investment}}{\text{NSP3 investment} + \text{homeowner investment}} \times \text{Net proceeds} = \text{NSP3 amount to County}$$

$$\frac{\text{homeowner investment}}{\text{NSP3 investment} + \text{homeowner investment}} \times \text{Net proceeds} = \text{amount to homeowner}$$

Collier County may permit the homebuyer to recover the homebuyer's entire investment (down payment and capital improvements made by the owner since purchase) before recapturing the NSP3 investment.

Resale restrictions shall be implemented for every homebuyer property constructed, redeveloped, or rehabilitated, in whole or in part, with NSP funds in the form of a development subsidy. A development subsidy consists of the difference between the cost of producing the unit and the fair market value of the property. If NSP funds are provided to the property it will be subject to a resale restriction.

If the homebuyer determines that it no longer intends to use the property as its principal residence, resale restrictions require the homebuyer to sell the property to a family that will use the property as its principal residence and meets the income limits described in the lien and restrictive covenant on that property. The house must be affordable to a range of new buyers in the target affordable range. The new buyer must occupy house as principal residence. The remaining resale restrictions apply to new buyer, for the

	<p><u>period of affordability.</u></p> <p><u>The original homebuyer is entitled to a fair return on its investment (as described below) upon the sale of the property. The fair return will be based on the percentage change in the Consumer Price Index for All Urban Consumers Owners' Equivalent Rent of Primary Residence category in Table I of the CPI Detailed Report (the "CPI Index") during the period of the homebuyer's ownership. Accordingly, the CPI Index during the month the residence was completed (the month during which the completion reports were received by and approved by IHCD) will be compared to the CPI Index during the month the original homebuyer sells the residence to determine the percentage of the return. The homebuyer's investment will include any down payment paid by the homebuyer plus any capital improvements. A capital improvement is any property enhancement that increases the overall value of the property, adapts it to new uses, or extends its life such as: adding windows, insulation, a new drive way, a new furnace, a garage, bedroom, new roof, remodeling kitchen, etc. Any capital improvement will be valued based on actual cost as documented by the original homebuyer's receipts. Generally, replacing worn dated components such as appliances or carpet would not be considered an improvement that adds value or adapts it to new uses.</u></p> <p><u>The purchasing family should pay no more than Thirty (30%) of its gross family income towards the principal, interest, taxes and insurance for the property on a monthly basis. In certain circumstances, such as a declining housing market where home values are depreciating, the original homebuyer may not receive a return on his or her investment because the home sold for less or the same price as the original purchase price and a loss on investment may constitute a fair return.</u></p> <p><u>Resale Example:</u></p> <p><u>Assumption: NSP funds total development</u></p> <p><u>Total Development Costs (TDC) \$120,000</u> <u>Sale price based on appraisal \$90,000</u> <u>Principle reduction \$10,000</u> <u>First Purchase mortgage \$80,000</u> <u>Closing cost assistance \$1,600</u></p> <p><u>Amount determining compliance \$120,000</u> <u>Compliance period 15 years</u></p>
<p>Housing Rehabilitation Standards</p>	<p><u>General Standards</u></p> <p>All NSP3-assisted housing will be required to meet or exceed local and state building codes. All units that require rehabilitation must meet or exceed the current Florida Building Code (FBC). The current code applied in Collier</p>



County is 2007 FBC.

Collier County will incorporate energy-efficient, sustainable building practices when feasible, including the use of green building to provide long-term affordability and attractiveness within the community. Furthermore, Collier County encompasses a large coastal area that subjects the residents to the risk of hurricanes and severe flooding. As such, all NSP3-assisted housing will undergo hurricane hardening and damage mitigation, when feasible.

Required HUD Standards

In compliance with the requirements of HUD, the following standards will apply to gut rehabilitation and new construction projects. Gut rehabilitation is defined as the general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls.

- a) Residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes;
- b) Mid- or high-rise multifamily housing must be designed to meet American Society of Heating, Refrigerating, Air-Conditioning Engineers (ASHRAE) Standard 90.1-2004, Appendix G plus 20 percent (which is the Energy Star standard for multifamily buildings piloted by the Environmental Protection Agency and the Department of Energy)

In further compliance with the requirements of HUD, the following standards will apply to all NSP3-assisted housing units.

- a) All rehabilitated units must meet the following standards to the extent applicable to the work undertaken:
 - i. Older obsolete products and appliances (such as windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units, refrigerators, clothes washers and dishwashers) must be replaced with Energy Star-46 labeled products;
 - ii. Water efficient toilets, showers, and faucets, such as those with the Water Sense label must be installed;
 - iii. Housing must be improved to mitigate the impact of disasters (e.g. hurricane, flooding, and fire)

HUD also encourages the adoption of energy efficient and environmentally-friendly green elements. Collier County will seek to incorporate the standards and policies of the Florida Green Building Coalition. A copy of the standards and policies is attached to this Action Plan.

4. Low-Income Targeting

Low-Income Set-Aside Amount

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:

Collier County will set-aside 25 percent of funds appropriated to the County to provide housing for individuals or families whose incomes do not exceed 50 percent of the area median income, adjusted for household size. The final dollar amount is 25 percent of the sum of the County's appropriation and program income, rounded up to the nearest thousand

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

Total funds set aside for low-income individuals = \$1,078,042

Meeting Low-Income Target

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

Response:

Habitat for Humanity of Collier County, Inc. (hereinafter, "Habitat for Humanity" or "Developer"), has been successful in providing homeownership to households earning less than 50 percent of the area median income. Through a developer agreement, Collier County shall partner with Habitat for Humanity to meet the low-income targeting requirement through the provision of affordable homeownership.

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)?	Yes
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If yes, fill in the table below.

Question	Number of Units
The approximate 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.	3 units
The approximate total 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).	All activities have an estimated commencement date of March 1, 2011 and



	completion date of February 28, 2014.
	Activity 1 LMMH/LH25 – 25 units
	Activity 2 LMMH – 5 units
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	7 units

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 Collier County Citizen Participation Plan was adopted January 9, 2001. The following steps were taken in preparation of this NSP3 substantial amendment:

1. Technical Assistance – In addition to providing public access to the draft and development document used in the preparation of this substantial amendment, Collier County was available to provide technical assistance to citizens, citizen groups, nonprofit organizations and agencies that requested assistance in understanding the NSP3.
2. Public Hearings/Meetings – The development of the Collier County NSP3 substantial amendment was contemplated in regular, publicly advertised meeting(s) of the Affordable Housing Advisory Committee, the Board of County Commissioners, and advertised in a newspaper of general circulation.
3. Fifteen-Day Public Comment Period – The County published notice of the availability of the proposed NSP3 substantial amendment in a newspaper of general circulation and posted it on the County's website. The publication described, among other items, the total County appropriation, target areas, and proposed activities.
4. County Commission – Citizen Participation requirements shall not be construed to restrict the responsibility or authority of the County for the development and execution of the NSP3 program activities. The County Commission remains the sole approving authority for the program and any amendments.

Summary of Public Comments Received.

No public comments were received.



7. NSP Information by Activity

Activity Number 1	
Activity Name	Acquisition and Rehabilitation (LMMH)
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 checked="" type="checkbox"/> Eligible Use D: Demolition <input checked="" type="checkbox"/> Eligible Use E: Redevelopment
CDBG Activity or Activities	24 CFR 570.201(a) Acquisition, (b) Disposition, (d) Clearance for blighted structures, (i) Relocation, and (n) Direct homeownership assistance (as modified below); 24 CFR 570.202 eligible rehabilitation and preservation activities for homes and other residential properties. HUD notes that any of the activities listed above may include required homebuyer counseling as an activity delivery cost.
National Objective	Low Moderate Middle Income Housing (LMMH)/ LH25
Activity Description	<p>Activity Number 1 will provide funding to Developer to acquire properties that have been abandoned or foreclosed upon. Once rehabilitation is complete, utilizing funding provided by the Developer, the home will be sold to persons or households earning not greater than 120 percent area median income, adjusted for household size.</p> <p>The activity will attempt to stabilize neighborhoods, arrest decline, and create a more sustainable, integrated, and affordable community. The local housing market conditions in the target areas generally consists of elevated vacancy rates, greater percentage of homes financed with a high cost loan, a large number of mortgages seriously delinquent (90+ or more delinquent or in foreclosure), and a significant percentage decline in home values since the peak value. For example, since the peak value, home values in the target areas have fallen 48.4 percent.</p> <p>The Developer will seek to purchase homes and residential properties that have been abandoned or foreclosed upon, in order to sell or redevelop such homes and properties. The Developer may, with written consent by the County, demolish blighted structures acquired by the Developer in order to redevelop as housing. When selecting target areas for this activity, Collier County paid close attention to the impact score assigned by HUD. The impact score is the estimated number of properties needed to make an impact in the identified target area.</p> <p>Consideration of the impact score is especially important because, as HUD states, "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." Therefore, target areas were selected in which Collier County would be able to make the impact recommended by HUD.</p>

When providing assistance to persons, families, non-profit agencies, or other organizations, the following general terms will apply:

- Range of interest rates: 0 percent to 5 percent
- Term of assistance: 5 years to 30 years
- Tenure of beneficiaries: homeowners

The activity is expected to benefit income-qualified persons or households by producing safe, decent, and affordable housing. Additionally, the Developer may seek to incorporate energy efficient and environmentally-friendly green elements in each project.

One of the major obstacles to affordable homeownership is saving for a down payment. Oftentimes the low- and very-low income residents of Collier County are struggling to pay a monthly rent payment, as well as other household expenses. This activity will benefit income-qualified persons or households by offering a newly rehabilitated property through Habitat for Humanity to reduce the heavy burden of saving a sizable down payment.

Another factor affecting residents within the target areas is reduced employment opportunities. Collier County has long relied on industries fueled by population growth to provide employment opportunities for residents. According to the Collier County Economic Development Council's 2009 *Market Facts* report, construction, retail trade and accommodations, and food service employ the largest number of Collier County residents. All three industries have an average wage well below the area median income (\$44,592, \$29,120, and \$22,683 respectively) thereby making any disruption in income potentially devastating. This activity will benefit income-qualified persons or households by providing affordable housing that is integrated and, whenever possible, located near employment centers and public transportation.

This activity will produce housing that is intended to remain affordable. In compliance with NSP3 regulations, Collier County has adopted as a safe harbor the affordability standards of the HOME program at 24 CFR 92.252(a), (c), (e), and (f), and 92.254.

The County will require that the Developer return \$388,000 to the County from the proceeds of sale of NSP3 properties. The \$388,000 will upon receipt by the County be classified as program income. The \$388,000 generated in program income will be re-awarded to Habitat for Humanity to continue to acquire and rehabilitate additional property in line with their NSP3 developer agreement with the County.

The Developer will seek, to the maximum extent possible, to hire or cause to be hired employees who reside in the vicinity of NSP3 projects or contract with small businesses that are owned and operated by persons residing in the vicinity of the project. For the purposes of NSP3, HUD defines "vicinity" as



	<p>each neighborhood identified within this document as being the areas of greatest need.</p> <p>The following are examples of activities that may be used to accomplish this initiative:</p> <ul style="list-style-type: none"> • Outreach to local area residents and businesses; • Inclusion of Section 3 and other relevant language in all applicable contracts; • Advertising of economic opportunities to local area residents and businesses 	
Location Description	<p>Neighborhood ID 1108764: Golden Gate City</p> <ul style="list-style-type: none"> • Tier One – Census Tract 0104.10 • Tier Two – Census Tract 0104.19, 0104.20 • Tier Three – Census Tract 0104.11 <p>Neighborhood ID 3981140: East Naples Bayshore Gateway CRA</p> <ul style="list-style-type: none"> • Tier One – Census Tract 0107.01 	
Budget	Source of Funding	Dollar Amount
	NSP3	\$3,107,332
		\$
		\$
Total Budget for Activity		\$3,107,332
Performance Measures	Acquire and rehabilitate approximately twenty-five (25) units of housing for LMMH and LH25, as funding permits.	
Projected Start Date	March 1, 2011	
Projected End Date	February 28, 2014	
Responsible Organization	Name	Collier County Department of Housing, Human, and Veteran Services <u>Community and Human Service</u>
	Location	3339 Tamiami Trail E., Suite 211, Naples, Florida 34112
	Administrator Contact Info	239-252-4663-6287 kimberleygrant@colliergov.net

Activity Number 2	
Activity Name	Land Bank (LMMH)
Use	Select all that apply:
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms
	<input type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation
	<input checked="" 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) Acquisitions and (b) Disposition. HUD notes that any of the activities listed above may include required homebuyer counseling as an



	activity delivery cost.	
National Objective	Low Moderate Middle Income Housing (LMMH)	
Activity Description	<p>Activity Number 2 will provide funding to Habitat for Humanity to purchase and operate a land bank. As detailed below, the high cost of land was a major contributor to the lack of affordable housing during the height of the local housing market.</p> <p>The activity will attempt to stabilize neighborhoods, arrest decline, and create a more sustainable, integrated, and affordable community. The local housing market conditions in the target areas generally consists a high supply of eligible properties, low demand for housing, or high levels of vacancy. Furthermore, the target areas are suffering from, or are at risk for blighted conditions. NSP3 provides a unique opportunity to improve a community by permitting land banking.</p> <p>At the peak of the housing market in Collier County (4th quarter 2005), only 16.3% of homes sold were affordable to a household earning the area median income (source: National Association of Home Builders/Wells Fargo Housing Opportunity Index). The cost of land was a major contributor to the lack of affordable housing during the housing market boom. Use funds under this activity, Collier County will prepare for the increase in vacant land costs by seeking to acquire properties at low cost.</p> <p>The Land Bank activity will not produce a range of interest rates, terms of assistance, or tenure of beneficiaries. Rather, those elements will present themselves upon redevelopment of the subject property within ten (10) years as required by HUD.</p> <p>This activity will not produce housing, rather it will fund the acquisition of properties for land banking by the Developer. Additionally, land banking will not create hiring opportunities for citizens or small businesses residing in the vicinity of the project.</p>	
Location Description	<p>Neighborhood ID 1108764: Golden Gate City</p> <ul style="list-style-type: none"> • Tier One – Census Tract 0104.10 • Tier Two – Census Tract 0104.19, 0104.20 • Tier Three – Census Tract 0104.11 <p>Neighborhood ID 3981140: East Naples Bay shore Gateway CRA Tier One – Census Tract 0107.01</p>	
Budget	Source of Funding	Dollar Amount
	NSP3	\$388,418
		\$
		\$
Total Budget for Activity		\$388,418
Performance Measures	Acquire approximately five (5) land bank properties, as funding permits.	
Projected Start Date	March 1, 2011	
Projected End Date	February 28, 2014	
Responsible Organization	Name	Collier County Department of Housing, Human, and Veteran Services

		<u>Community and Human Service</u>
	Location	3339 Tamiami Trail E., Suite 211, Naples, Florida 34112
	Administrator Contact Info	239-252-4663 <u>6287</u> kimberleygrant@colliergov.net

Activity Number 3		
Activity Name	Administration	
Use	Select all that apply:	
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation
	<input checked="" type="checkbox"/>	Eligible Use C: Land Banking
	<input checked="" type="checkbox"/>	Eligible Use D: Demolition
	<input checked="" type="checkbox"/>	Eligible Use E: Redevelopment
CDBG Activity or Activities	24 CFR 570.205 and 206, as amended to provide an alternative that an amount of up to ten (10) percent of an NSP grant provided to a jurisdiction and of up to ten (10) percent of program income earned may be used for general administration and planning activities.	
National Objective	N/A – Administration	
Activity Description	This activity will fund the cost of administering the NSP3.	
Location Description	N/A - Administration	
Budget	Source of Funding	Dollar Amount
	NSP3	\$388,415.00
		\$
		\$
Total Budget for Activity	\$388,415.00	
Performance Measures	N/A – Administration	
Projected Start Date	March 1, 2011	
Projected End Date	February 28, 2014	
Responsible Organization	Name	Collier County Department of Housing, Human, and Veteran Services <u>Community and Human Service</u>
	Location	3339 Tamiami Trail E., Suite 211, Naples, Florida 34112
	Administrator Contact Info	239-252-4663 <u>6287</u> kimberleygrant@colliergov.net

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 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



IN WITNESS WHEREOF, the parties have each, respectively, by an authorized person or agent, hereunder set their hands and seals on the date first written above.

ATTEST:
DWIGHT E. BROCK, CLERK

BOARD OF COUNTY COMMISSIONERS OF COLLIER
COUNTY, FLORIDA

, Deputy Clerk

By: _____
Tim Nance, Chairman

Dated: _____
(SEAL)

Date: _____

Approved as to form and legality:

Jennifer A. Belpedio
Assistant County Attorney

2013 5/14/15



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 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 type="checkbox"/>
Does the narrative description specifically address how the funds will give priority emphasis to those areas:	
<ul style="list-style-type: none"> • With the highest percentage of home foreclosures? 	<input type="checkbox"/>
<ul style="list-style-type: none"> • With the highest percentage of homes financed by subprime mortgage related loan?; and 	<input type="checkbox"/>
<ul style="list-style-type: none"> • Identified by the grantee as likely to face a significant rise in the rate of home foreclosures? 	<input type="checkbox"/>
Did you create the area of greatest needs map at http://www.huduser.org/NSP/NSP3.html ?	<input type="checkbox"/>
Did you include the map as an attachment to your Action Plan?	<input type="checkbox"/>
<i>ONLY Applicable for States:</i> Did you include the needs of all entitlement communities in the State?	<input type="checkbox"/>

3. Definitions and Descriptions

	Yes

<p>Are the following definitions and topics included in your substantial amendment?:</p> <ul style="list-style-type: none"> • Blighted structure in context of state or local law, • Affordable rents, • Ensuring long term affordability for all NSP funded housing projects, • Applicable housing rehabilitation standards for NSP funded projects 	
	<input type="checkbox"/>
	<input type="checkbox"/>
	<input 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 type="checkbox"/>
Did you provide a summary describing how your jurisdiction will meet its low-income set aside goals?	<input type="checkbox"/>

5. Acquisition & Relocation

	Yes
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 type="checkbox"/>
Did you include the public comments you received on the NSP3 substantial amendment in your plan?	<input 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 type="checkbox"/>
For each eligible NSP3 activity you plan to implement did you include:	
• Eligible use or uses?	<input type="checkbox"/>
• Correlated eligible CDBG activity or activities?	<input type="checkbox"/>
• Associated national objective?	<input type="checkbox"/>
• How the activity will address local market conditions?	<input type="checkbox"/>
• Range of interest rates (if any)?	<input type="checkbox"/>
• Duration or term of assistance?	<input type="checkbox"/>
• Tenure of beneficiaries (e.g. rental or homeowner)?	<input type="checkbox"/>
• If the activity produces housing, how the design of the activity will ensure continued affordability?	<input type="checkbox"/>
• How you will, to the maximum extent possible, provide for vicinity hiring?	<input type="checkbox"/>
• Procedures used to create affordable rental housing preferences?	<input type="checkbox"/>
• Areas of greatest need addressed by the activity or activities?	<input type="checkbox"/>
• Amount of funds budgeted for the activity?	<input 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 type="checkbox"/>
• Expected start and end dates of the activity?	<input type="checkbox"/>
• Name and location of the entity that will carry out the activity?	<input type="checkbox"/>

8. Certifications

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

9. Additional Documentation

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

