

MARION COUNTY, FL
NEIGHBORHOOD STABILIZATION PROGRAM
SUBSTANTIAL AMENDMENT

Jurisdiction(s): Marion County, FL	NSP Contact Person: Cheryl Amey Community Services Director
Jurisdiction Web Address: www.marioncountyfl.org	Address: 3003 SW College Rd, Suite 109 Ocala, FL 34474
	Telephone: (352) 671-8770
	Fax: (352) 671-8769
	Email: Cheryl.amey@marioncountyfl.org

A. AREAS OF GREATEST NEED

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

Response:

Marion County will prioritize the use of NSP funds pursuant to the Housing and Economic Recovery Act of 2008 by first targeting areas of greatest need as evidenced through HUD and local data. Initially targeted areas will be in those areas that meet the following criteria:

1. Greatest percentage of home foreclosures
 - Areas with 25 or more foreclosed, abandoned and vacant homes per 3 sq. miles,
2. Areas with the greatest percentage of subprime loans and most likely to face a significant rise in the rate of home foreclosures,
3. Greatest number of foreclosed, abandoned and vacant properties causing significant blight/impact and higher crime rates according to local code and law enforcement.
4. Areas where the cost to purchase and rehabilitate the homes would fit the required target income groups.

The following areas within Marion County have been identified to be at the greatest risk of deterioration as identified on Map #1 in Exhibit A. NSP funds will be utilized to help stabilize these priority areas:

	Census tracts / Block groups	Map # in Exhibit A
• Silver Springs Shores	#001204 / 1, 2 & 3 #001203 / 3 & 5	Map #2
• Rainbow Park	#002601 / 2	Map #3
• West Ocala	#0015 / 3, 4 #0017; 0018 / 1,2 &3	Map #4
• North East Ocala	#001401 / 1,2 & 3 #001301 / 1 & 2 #001302 / 1 & 2 #2002; 2201; 2202 / 1	Map #5
• Marion Oaks	#001002 / 1	Map #6

Additional maps found in Exhibit A identify the following areas in support of the priority areas identified above:

- Map #7 - HMDA (Home Mortgage Disclosure Act) Map - Areas shaded according to percentage of High Cost Loan Rates
- Map #8 - Areas of High Foreclosure Rates (areas shaded according to percentage) and local Code Enforcement Actions on Foreclosed Properties (blue dots.)

Marion County utilized the following data sources for this analysis:

- HUD NSP Data from http://www.huduser.org/publications/commdevl/nsp_target.html
- Home Mortgage Disclosure Act (HMDA) data
- Marion County Clerk of the Court foreclosure data
- www.newyorkfed.org/mortgagemaps/
- Local REO specialists
- Local code enforcement reports of foreclosed properties, mapped accordingly
- Local Sheriff reports of areas w/ increased crime rates due to vacant properties

B. DISTRIBUTION AND USES OF FUNDS

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

Response:

Marion County will prioritize the use of NSP funds by first targeting areas of greatest need according to the strategic plan and risk factors listed above. Funds will primarily be used for Acquisition and Rehabilitation of foreclosed, abandoned and vacant homes to stabilize and reverse the effects of declining property values and blight.

All activities are planned to be initiated upon the release of NSP funds, which is anticipated to be January or February 2009. All initial funds must be committed within 18 months. Several of these activities anticipate returning funds (program income) which will continue to be used for NSP activities until July 2013, when the regulations require the return of all program income received after this date to be returned to the treasury.

Marion County, through an RFP application process, may contract with local governments, non-profit housing developers and agencies to use NSP funds and program income (to include activity delivery costs) for the following activities:

1. Acquisition/rehabilitation and resale to income-eligible homebuyers with preference being given to households on the County or City SHIP waiting lists. SHIP and HOME funds will be used to provide down-payment assistance to households at 50% and 80% MFI. A portion of the NSP funds may be left in the property to buy down

the purchase price for eligible buyers, or used for up to 50% of down-payment assistance, consistent with CDBG regulations, Section 105(a)(24)(D), only if SHIP/HOME funds are fully expended and/or unavailable. This will be Marion County's primary use of NSP funds.

2. Acquisition/rehabilitation and rental to income-eligible families in a rent-to-own plan, which will include the following preferences and requirements:
 - Preferences being given to households being evicted from rental properties due to foreclosure, and households losing their homes to foreclosure;
 - A requirement that at least 40% of funds in this activity go to households at or below 50% MFI.
3. Demolition of units that are blighted and considered a major concern in the redevelopment effort of the area.

Marion County will use up to 10% of the NSP grant and up to 10% of any program income generated through NSP activities for administration of the program.

NSP-1: Acquisition/Rehabilitation and Resale

Marion County will, on its own or through contract with a non-profit housing developer, acquire and rehabilitate foreclosed, abandoned single family units in targeted areas and sell them to income eligible homebuyers. Properties must be verifiably vacant prior to being identified as a potential acquisition. The final sales price shall be no greater than the total of the initial acquisition and rehabilitation costs, and shall not exceed \$150,000. All acquisitions will be for at least 15% below an appraised value determined no more than 60 days prior to the date of the offer to purchase.

Income-eligible homebuyers must have a household income at or below 120% MFI as defined by HUD. The table at Exhibit B shows these income limits as adjusted for family size. Purchase assistance will be provided using a combination of NSP funds and funds available through local partners such as: SHIP, FHA, Rural Development, FL Low, and Habitat funds. Income eligibility determinations and Homebuyer Assistance calculations must follow County CDBG/SHIP guidelines. Marion County uses the Section 8 program definition of income as found in 24 CFR 813.106 for determining income eligibility. Prospective homebuyers are required to have a minimum of 8 hours of HUD certified homebuyer counseling and must attend one of the County prescribed Homebuyer Education Classes.

Acquisitions and rehabilitations will be both leveraged and 100% financed, depending on the partnerships that are established. When local non-profits have access to outside sources of funds, volunteer labor and/or donated materials and supplies that could be effectively leveraged to increase the number of units that may be assisted with NSP funds, then Marion County will contract accordingly with these agencies to serve more households. This will be Marion County's primary use of NSP funds.

NSP-2: Acquisition/Rehabilitation and Rental – Affordable Rental Units

Marion County will, on its own or through contract with a non-profit housing developer, acquire and rehabilitate foreclosed, abandoned single family units in targeted areas and rent them to income eligible families in a rent to own plan. Properties must be verifiably vacant prior to being identified as a potential acquisition. All acquisitions will be for at least 15% below an appraised value determined no more than 60 days prior to the date of the offer to purchase.

Marion County will contract with the Ocala Housing Authority or another non-profit agency to carry-out this activity. Single-family units acquired in areas closest to transportation, services and employment will be considered for rental units. The Housing Authority or non-profit would hold title to the units and make them available at affordable rental rates in a rent-to-own option. The primary intent of this rental activity is to provide affordable housing for people unable to purchase homes due to low incomes, high debt and/or credit issues. In pre-qualifying applicants for purchase of NSP units, there may be some that have adequate income but lack an appropriate credit score to be able to purchase at this time. Rental units may go to households up to 120% of MFI with the exception that at least 40% of them are for households at or below 50% MFI. Preference must be given to renters losing their rental unit due to foreclosure and homeowners losing their home to foreclosure. Secondary preference may be given to households in Section 8 or Housing Authority rental units.

The agency contracted with to carry-out this activity will hold title to the unit and lease the unit. Mandatory participation in a home-buyers club providing budgeting and self-sufficiency training that follows HUD's Family Self-Sufficiency (FSS) model along with a portion of the rent going towards a down-payment will be required. The lease to own contract may not exceed 48 months at which time the household should be able to get conventional financing to purchase the house. Strict eligibility and screening procedures will be used to ensure to the greatest extent feasible that participants in a lease to own program would be able to purchase the home at the conclusion of the contract. URA standards at 24 CFR 570.606(b)(2)(ii)(B) and 49 CFR 24.206 will be included in the contract documents and procedures noticing participants that they will be occupying an NSP-funded project for a lease to own program and that if they are unable to meet the eligibility requirements to become an owner within the programs time limit that they would not be eligible for relocation assistance, and provide "eviction for cause" terms when a participant is in serious and/or repeated breach of the agreement. Consistent and on-going counseling will be provided to participants to ensure their success to the greatest extent possible

NSP-3: Demolition

For properties that have deteriorated to a point that they meet the definition of "blighted", Marion County will, demolish blighted properties without acquisition through local code enforcement actions when the property is not foreclosed, but is a major concern in the redevelopment effort of the area. These actions would follow local code enforcement policies and procedures with a lien being placed on the property to recapture NSP funds invested. Liens that are paid off will be considered program income and used to fund NSP eligible activities.

NSP-4: General Administration and Planning Activities

Marion County will use up to 10% of the NSP grant and up to 10% of any program income generated through NSP activities for administration of the program.

TOTAL BUDGET

Marion County anticipates using initial NSP grant funds as follows:

NSP-1	Acquisition, rehabilitation and resale	\$4,288,750
NSP-2	Acquisition, rehabilitation and rental	\$1,320,000
NSP-3	Demolition of blighted structures	\$ 82,900
NSP-4	Administration	\$ 632,405

Funds may be recycled in the form of program income which will be used for additional funding of the identified NSP activities. 10% of any program income earned may be used for program administration if needed. Additional funds from other sources may be leveraged as housing partnerships are established.

Performance measurement outcomes will be determined by the number of affordable housing units made available. It is anticipated that these activities should be able to create 48 units of affordable housing.

Income Level	Anticipated Units
50% MFI	16
80% MFI	21
120% MFI	11

C. DEFINITIONS AND DESCRIPTIONS

1. Abandoned

A home is abandoned when the mortgage or tax foreclosure proceedings have been initiated for that property, no mortgage or tax payments have been made by the property owner for at least 90 days, AND the property has been vacant for at least 90 days.

2. Affordable rents

For any NSP-funded rental activity, the maximum Affordable Rents shall not exceed the Fair Market Rents (FMR) as published annually by the U.S. Department of Housing and Urban Development for the Ocala-Marion County Metropolitan Statistical Area.

Marion County will review and approve the rents charged on an annual basis.

3. Blighted structure (in context of state or local law)

Any structure that is unfit for human use, habitation or dangerous to persons or other property. In addition, a structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare.

4. *Current market appraised value*

The value of a foreclosed upon home or residential property that is established through an appraisal made in conformity with the appraisal requirements of the URA at 49 CFR 24.103 and completed within 60 days prior to an offer being made for the property.

5. *Foreclosed*

A property “has been foreclosed upon” at the point that the mortgage or tax foreclosure is complete, and the title for the property has been transferred from the former homeowner under some type of foreclosure proceeding or transfer in lieu of foreclosure, in accordance with state or local law.

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

Response:

Marion County will ensure long-term affordability through the use of mortgage/lien documents that will be recorded against the property. If an owner who has been assisted through this program transfers title to the property before the affordability period expires, the assistance provided by Marion County will be subject to recapture. Marion County will annually monitor any rental developments that are assisted with NSP funds during the affordability period to ensure that the specified units are maintained as affordable and that the property(s) continue to meet minimum housing quality standards.

Marion County will use as a minimum the affordability period of the Federal HOME Investment Partnership Program found at: 24 CFR 92.252(a),(c),(e) and (f), and 92.254 and listed below:

<u>Federal dollars invested</u>	<u>Affordability Period</u>
• Up to \$15,000	5 years
• 15,001 to \$40,000	10 years
• Over \$40,000	15 years
• All New Construction	20 years

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

Response:

Marion County follows the Florida State building code. All housing that requires rehabilitation must be brought up to local and state building codes and ordinances and also comply with Marion County’s written rehabilitation standards for the HOME program.

All pre-existing code violations and health and safety hazards will be a priority for all NSP assisted units. Lead based paint is addressed as part of the environmental checklist, and any homes determined as potentially having lead base paint will have the required testing performed and any lead based paint hazards will be eliminated.

General property improvements will also be addressed and may cover a wide variety of items such as painting, replacement of fixtures, cabinets and flooring. “Green Building” practices

will be encouraged where practical and may include things like; florescent lighting, energy star appliances, upgraded insulation and windows and solar or tankless water heaters to reduce utility costs.

D. LOW INCOME TARGETING

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income: [\\$1,581,013](#).

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

Response:

Marion County will work with partners such as Habitat for Humanity, USDA Rural Development and Florida Low Income Housing to provide homeownership opportunities for households at or below 50% of MFI (**NSP-1**), however, in order to meet the requirement that 25% of NSP grant funds will be used for households at or below 50% of MFI, Marion County will consider activities that provide rent-to-own (**NSP-2**) opportunities. In that regard, it will be required that any partner selected to do rental types of activities have a proven track record in rental property management. Incentives may be offered to housing partners who design funding mechanisms/programs to provide viable homeownership opportunities to households at or below 50% of MFI or special need populations. Incentives would be things such as: priority choice over NSP parcels, donation of additional County/City owned parcels for development, or additional HOME funds.

E. ACQUISITIONS & RELOCATION

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

If so, include:

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

Response:

No conversions of low/mod. housing units to market rate are anticipated. A small number of units may be demolished as part of the stabilization of targeted areas. None of these units are anticipated to have had an affordability covenant.

F. PUBLIC COMMENT

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

Response:

The NSP Substantial Amendment to the CDBG Annual Action Plan was made available on the Marion County website for public review and comment. The public comment period ran from November 7th through November 21, 2008. The Substantial Amendment was adopted at the regularly scheduled Board of County Commissioners meeting on November 18, 2008.

Marion County received two letters in general support of the NSP program as described in newspaper articles.

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

Activity: NSP – 1

(1) Activity Name: Acquisition/Rehabilitation and Resale

(2) Activity Type: Acquisition and rehabilitation of foreclosed, abandoned and vacant properties for resale to income eligible households.

NSP (B) – Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon in order to sell, rent or redevelop such homes and properties.

CDBG – 24 CFR 570.201(a) – acquisition, (b) disposition, (i) relocation, (n) direct homeownership assistance and 570.202 – eligible rehabilitation activities for homes and other residential properties.

(3) National Objective: LMMH – Low-Mod-Middle Housing.

(4) Activity Description:

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

This activity is for the acquisition, rehabilitation and resale of foreclosed, abandoned and vacant properties. The primary intent is to target those areas identified with the highest concentrations of foreclosed and vacant homes which are suffering greater than average code enforcement actions, blight and crime rates causing a destabilization of the area. Purchasing and rehabilitating these properties, and then selling them to income-eligible homeowners will revitalize the area and stabilize property values.

Beneficiaries will be for households up to 120% of MFI. **Partnerships with agencies such as Habitat for Humanity, USDA Rural Development and Florida Low Income Housing will provide homeownership opportunities for households at or below 50% of MFI.**

(5) Location Description Program activities will be implemented in the following NSP targeted neighborhoods: Silver Springs Shores, Rainbow Park, Marion Oaks, North East Ocala and West Ocala.

	Census tracts / Block groups	Map # in Exhibit A
• Silver Springs Shores	#001204 / 1, 2 & 3 #001203 / 3 & 5	Map #2
• Rainbow Park	#002601 / 2	Map #3
• West Ocala	#0015 / 3, 4 #0017; 0018 / 1,2 &3	Map #4
• North East Ocala	#001401 / 1,2 & 3 #001301 / 1 & 2 #001302 / 1 & 2 #2002; 2201; 2202 / 1	Map #5
• Marion Oaks	#001002 / 1	Map #6

(6) Performance Measures

Performance measurement outcomes will be determined by the number of affordable housing units made available. It is anticipated that this activity should be able to create 37 units from the initial funds.

Income Level	Anticipated Units	Budget
50% MFI	7	\$ 908,750
80% MFI	19	\$2,280,000
120% MFI	11	\$1,100,000

(7) Total Budget

The total budget to be dedicated to costs associated with the purchase, rehabilitation and resale of NSP properties is: \$4,288,750

(8) Responsible Organization: Marion County Community Services will be the lead entity, 3003 SW College Rd, Suite 109, Ocala FL 34474. Administrator: Cheryl Amey, (352) 671-8770, cheryl.amey@marioncountyfl.org . Additional partners will be utilized for a variety of functions such as; acquisition, rehabilitation, resale, loan processing, underwriting, property management, appraisals, etc.

(9) Projected Start Date: February 1, 2009

(10) Projected End Date: July 30, 2013

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate

The discount rate for purchase of foreclosed properties will follow the HERA / NSP regulations requiring an average purchase discount of at least 15% below a current appraised value.

For financing activities, include:

- range of interest rates

N/A

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

The tenure of this activity is homeownership. Homeownership will be offered consistent with NSP rules and policies. Marion County's SHIP Purchase Assistance guidelines have been modified to be consistent with CDBG/NSP and HOME requirements. Homeowners must complete the 10 hour Homebuyer Education Class (HBE) offered through the Ocala Housing Authority, or the 8 hour HBE class offered through Neighborhood Housing and Development Corporation, both of which are HUD Certified Housing Counseling Agencies. The sales price shall be no greater than the total investment in the property, including; acquisition, rehabilitation and direct activity delivery costs. A portion of the NSP funds used for acquisition and rehabilitation may remain in the home when it is sold to an income-eligible household in the form of a soft second, zero-interest, deferred payment, 30 year loan which is secured by a mortgage and lien. The amount of assistance will be tiered according to income level and need. An affordability / recapture clause following the HOME program guidelines requires repayment when the home is sold, refinanced or is no longer the primary, homesteaded residence.

Program income received from the sale of assisted units will be recycled for eligible NSP activities.

Activity: NSP – 2

(1) **Activity Name:** Acquisition, Rehabilitation and Rental – Rent-to-own Option

(2) **Activity Type:** Acquisition and rehabilitation of foreclosed, abandoned and vacant properties for rent to own options for income eligible households.

NSP (B) – Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon in order to sell, rent or redevelop such homes and properties.

CDBG – 24 CFR 570.201(a) – acquisition, (b) disposition, (i) relocation, (n) direct homeownership assistance and 570.202 – eligible rehabilitation activities for homes and other residential properties.

(3) **National Objective:** LMMH – Low-Mod-Middle Housing.

(4) Activity Description:

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

This activity is for the acquisition, rehabilitation and rental of foreclosed, abandoned and vacant properties in a rent-to-own option. The primary intent is to provide affordable housing opportunities for those households unable to purchase homes due to high debt and/or credit issues. Marion County may contract with the Ocala Housing Authority or another non-profit to carry-out this activity. All households must participate in self-sufficiency classes that follow HUD’s Family Self-Sufficiency (FSS) model in an effort to improve their readiness for homeownership. The FSS program will be expanded to include information specific to homeownership such as; basic maintenance and repairs, homeowners insurance, etc.

This activity is targeted to meet the required 25% of NSP funds for households at or below 50% MFI. While most of the housing will be for low income families, some of the single family units owned by the participating non-profit housing agency will be made available to households up to 120% of MFI. Preference must be given to renters losing their rental unit due to foreclosure and homeowners losing their home to foreclosure.

(5) Location Description: Program activities will be implemented in the following NSP targeted neighborhoods: Silver Springs Shores, Rainbow Park, Marion Oaks, North East Ocala and West Ocala.

	Census tracts / Block groups	Map # in Exhibit A
• Silver Springs Shores	#001204 / 1, 2 & 3	Map #2
	#001203 / 3 & 5	
• Rainbow Park	#002601 / 2	Map #3
• West Ocala	#0015 / 3, 4	Map #4
	#0017; 0018 / 1,2 &3	
• North East Ocala	#001401 / 1,2 & 3	Map #5
	#001301 / 1 & 2	
	#001302 / 1 & 2	
	#2002; 2201; 2202 / 1	
• Marion Oaks	#001002 / 1	Map #6

(6) Performance Measures

Performance measurement outcomes will be determined by the number of affordable housing units made available. It is anticipated that this activity should be able to create 11 units from the initial funds.

Income Level	Anticipated Units	Budget
50% MFI	9	\$1,080,000
80% MFI	2	\$ 240,000
120% MFI	0	\$ 0

(7) Total Budget

The total budget to be dedicated to costs associated with the purchase, rehabilitation and rent/purchase of NSP properties is: \$1,320,000

(8) Responsible Organization: Marion County Community Services will be the lead entity, 3003 SW College Rd, Suite 109, Ocala FL 34474. Administrator: Cheryl Amey, (352) 671-8770, cheryl.amey@marioncountyfl.org . Additional partners will be utilized for a variety of functions such as; acquisition, rehabilitation, resale, loan processing, underwriting, property management, appraisals, etc.

(9) Projected Start Date: February 1, 2009

(10) Projected End Date: July 30, 2013

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate

The discount rate for purchase of foreclosed properties will follow the HERA / NSP regulations requiring an average purchase discount of at least 15% below a current appraised value.

For financing activities, include:

- range of interest rates

N/A

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

The tenure of this activity is rental with the intent of homeownership. Marion County will contract with the Ocala Housing Authority or another non-profit who would hold title to the unit and lease the unit in a rent-to-own option. Mandatory participation in a home-buyers club providing budgeting and self-sufficiency training along with a portion of the rent going towards a down-payment would be required. The lease to own contract may not exceed 48 months at which time the household should be able to get conventional financing to purchase the house. Strict eligibility and screening procedures will be used to ensure to the greatest extent feasible that participants in a lease to own program would be able to purchase the home at the conclusion of the contract. URA standards at 24 CFR 570.606(b)(2)(ii)(B) and 49 CFR 24.206 will be included in the contract documents and procedures noticing participants that they will be occupying an NSP-funded project for a lease to own program and that if they are unable to meet the eligibility requirements to become an owner within the programs time limit that they would not be eligible for relocation assistance, and provide "eviction for cause" terms when a participant is in serious and/or repeated breach of the agreement. Consistent and on-

going counseling will be provided to participants to ensure their success to the greatest extent possible.

Beneficiaries will be for households up to 120% of MFI. Primary preference will be given to renters losing their rental unit due to foreclosure and homeowners losing their home to foreclosure. Secondary preference may be given to households in Section 8 or Housing Authority rental units.

Program income received through the eventual sale of units will be recycled for eligible NSP activities.

Activity: NSP – 3

(1) Activity Name: Demolition

(2) Activity Type: Demolition of blighted structures
NSP (D) – Demolish blighted structures
CDBG – 24 CFR 570.201 (d) – clearance for blighted structures only.

(3) National Objective: LMMA – Low-Mod-Middle Area.

(4) Activity Description:

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

This activity is for the demolition of properties that are considered “blighted” according to local code. Marion County will demolish blighted properties without acquisition through local code enforcement actions when the property is not foreclosed, but is a major concern in the redevelopment effort of the area. These actions would follow local code enforcement policies and procedures with a lien being placed on the property to recapture NSP funds invested. Liens that are paid off will be considered program income and used to fund NSP eligible activities.

(5) Location Description: Program activities will be implemented in the following NSP targeted neighborhoods: Silver Springs Shores, Rainbow Park, Marion Oaks, North East Ocala and West Ocala.

	<u>Census tracts / Block groups</u>	<u>Map # in Exhibit A</u>
• Silver Springs Shores	#001204 / 1, 2 & 3 #001203 / 3 & 5	Map #2
• Rainbow Park	#002601 / 2	Map #3
• West Ocala	#0015 / 3, 4 #0017; 0018 / 1,2 &3	Map #4
• North East Ocala	#001401 / 1,2 & 3	Map #5

#001301 / 1 & 2
#001302 / 1 & 2
#2002; 2201; 2202 / 1
#001002 / 1

- Marion Oaks

Map #6

(6) Performance Measures

This activity will not create additional affordable housing units. The benefit will be as an area benefit in mitigating the adverse effects that blighted structures have on property values and neighborhood appearance in areas being assisted with NSP-1 and NSP-2A activities. The budgeted funds will allow for the demolition of approximately 16 structures.

(7) Total Budget

The average cost to demolish a single family home is approximately \$4 – 6,000. The total budget to be dedicated to costs associated with the demolition of NSP properties is \$82,900

(8) Responsible Organization: Marion County Community Services will be the lead entity, 3003 SW College Rd, Suite 109, Ocala FL 34474. Administrator: Cheryl Amey, (352) 671-8770, cheryl.amey@marioncountyfl.org . Additional partners will be utilized for a variety of functions such as; acquisition, rehabilitation, resale, loan processing, underwriting, property management, appraisals, etc.

(9) Projected Start Date: February 1, 2009

(10) Projected End Date: July 30, 2013

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate

N/A.

For financing activities, include:

- range of interest rates

N/A

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

N/A

Activity: NSP – 4

(1) Activity Name: General Administration and Planning Activities

(2) Activity Type: General administration and planning activities as defined at 24 CFR 570.205 and 206. NSP regulations provide an alternative requirement that an amount up to 10% of the NSP grant and 10% of program income earned may be used for this purpose.

(3) National Objective: N/A

(4) Activity Description:

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

Funds may be used for the general administration and planning costs associated with carrying out the eligible activities under this grant. Partners should be able to cover associated administrative costs as activity delivery costs.

(5) Location Description: N/A

(6) Performance Measures - N/A

(7) Total Budget

The total budget to be dedicated to costs associated with general administration and planning costs is: \$632,405.

(8) Responsible Organization: Marion County Community Services will be the lead entity, 3003 SW College Rd, Suite 109, Ocala FL 34474. Administrator: Cheryl Amey, (352) 671-8770, cheryl.amey@marioncountyfl.org. Additional partners will be utilized for a variety of functions such as; acquisition, rehabilitation, resale, loan processing, underwriting, property management, appraisals, etc.

(9) Projected Start Date: February 1, 2009

(10) Projected End Date: July 30, 2013

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate

N/A.

For financing activities, include:

- range of interest rates

N/A

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

N/A

Exhibit A: Maps

Map 1 - Bank-owned (REO) Properties / Code Cases / High-risk Block Groups

Map 2 - Silver Springs Shores

Map 3 - Rainbow Park

Map 4 - West Ocala

Map 5 - North East Ocala

Map 6 - Marion Oaks

Map 7 - HMDA (Home Mortgage Disclosure Act) Map -

Areas shaded according to percentage of High Cost Loan Rate.

Map 8 – Areas of High Foreclosure Rates (areas shaded according to percentage) and

Local Code Enforcement Actions on Foreclosed Properties (blue dots.)

Exhibit B: Income Levels by Household Size

Income Limits 2008-2009

Exhibit C: Public Participation and Comments

Public Comments

Application for Federal Assistance