

THE CITY OF MARGATE

NSP SUBSTANTIAL AMENDMENT

Jurisdiction(s): City of Margate, FL
(*indentify lead entity in case of joint agreements*)

Jurisdiction Web Address:
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A. AREAS OF GREATEST NEED Provide summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction.

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

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

Response:

Every census tract/block group in the City of Margate has been hit by the foreclosure crisis. In order to have the most impact, the City will concentrate its acquisition efforts with NSP funding in the following census tract/block groups that have the highest foreclosure and abandonment risk score as developed by HUD:

Census Tract	Block Group	Foreclosure Abandonment
020101	1	9
020102	1	9
020102	2	9
020102	3	9
020202	1	10
020202	2	10
020202	3	10

020202	4	10
020204	1	10
020205	1	9
020206	1	10
020206	2	10
020207	1	10
020208	1	10
020208	2	10
020404	1	9
020501	1	9
020502	1	8

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:

City of Margate Allocation: \$2,106,555.00

The City of Margate will meet the requirements of HERA by using HUD's Foreclosure and Abandonment Risk Score as well as local data to identify and acquire foreclosed properties in the areas of greatest need, to include those with high rates of subprime mortgage lending and those with a high risk of future foreclosures.

Activities (Detailed descriptions are attached)

Administration - \$84,262.00

Administration of the NSP Program, not including project administration.

Acquisition and Purchase (LMMH 25% Set-Aside) - \$563,639.00

The purpose of this activity is to purchase foreclosed properties and rehabilitate the properties to conform with local and state building codes and established City of Margate Rehabilitation Program standards. After rehabilitation of the properties is complete, the City will make the properties available for purchase to those households with income at fifty percent (50%) of the area median income or below. Minimum of 3 households will be assisted. Five percent (5%) of this activity will be reserved for project delivery.

Acquisition and Purchase (LMMI) - \$1,458,654.00

The purpose of this activity is to purchase foreclosed properties and rehabilitate the properties to conform with local and state building codes and established City of Margate Rehabilitation Program standards. After rehabilitation of the properties is complete, the City will make the properties available for purchase to those households with income at fifty percent (50%) of the area median income or below. Minimum of 10 households will be assisted. Five percent (5%) of this activity will be reserved for project delivery.

C. DEFINITIONS AND DESCRIPTIONS

(1) Definition of a blighted structure in the context of state or local law.

Response:

For purposes of determining blighted structures to be assisted with the NSP funding, blighted structures will be defined as any structure unfit for 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. This includes structures showing evidence of physical decay or neglect, excessive use, or lack of maintenance.

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

Response:

The City of Margate will not be renting the rehabilitated homes. They will be available for purchase. If the City were to rent, then they would follow HOME guidelines for affordable rents (reference 24 CFR 92.252(a) (b) and (c).

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

Response:

The City will monitor the properties that are assisted with NSP funds during the affordability period to ensure that the specified units are affordable. This will be done utilizing the standards established with the HOME Program. The minimum threshold that will be used to ensure long term affordability will be consistent with the guidelines of the HOME Program as defined in 24 CFR 92.252(e).

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

Response:

The City of Margate will utilize the housing rehabilitation standards established for the City's Home Rehabilitation Program, and will ensure that all rehabilitated properties meet the minimum requirements of the Florida Building Code and the City of Margate Building Department. The City will incorporate modern, green building and energy-efficiency improvement standards, whenever feasible, to provide for longer-term sustainability.

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:

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:

\$563,639.00.

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:

The City of Margate does not intend to demolish or convert any low-and-moderate income dwelling units.

F. PUBLIC COMMENT

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

Note: Proposed NSP Substantial Amendment must be published via the usual methods and posted on the jurisdiction's website for no less than 15 calendar days for public comment.

Response:

Comments received will be included with the final submission to HUD.

ACTIVITY 1:

Grant Number: B-08-MN-12-0015	
Activity Type: Administration	
National Objective: N/A	Total Budget, Disaster Recovery Grant \$ 84,262.00
Grantee Activity Number: 1	Projected Start Date: 12/01/2008
Activity Status: Under Way	Projected End Date: 12/31/11

Responsible Organization: City of Margate
Activity Description: Administration of the NSP Program, not including project administration
Location Description: City of Margate 5790 Margate Blvd. Margate, FL 33063

ACTIVITY 2:

Grant Number: B-08-MN-12-0015	
Activity Type: Acquisition - buyout of residential properties	
National Objective: NSP Only - LMMH - 25% Set-Aside	Total Budget, Disaster Recovery Grant \$ 563,639.00
Grantee Activity Number: 2	Projected Start Date: 02/02/2009
Activity Status: Planned	Projected End Date: 12/31/2011

Performance Measure	Proposed	Low	Mod
# of Properties	3		
# of Housing units	3		
# of Households benefitting	3		
# of Parcels Acquired by condemnation	0		
# of Parcels acquired by admin settlement	0		
# of Parcels acquired voluntarily	3		
Total acquisition compensation to owners	\$320,000		

<p>Responsible Organization: City of Margate</p>
<p>Activity Description: The purpose of this activity is to purchase foreclosed properties and rehabilitate the properties to conform with local and state building codes and established City of Margate Rehabilitation Program standards. After rehabilitation of the properties is complete, the City will make the properties available for purchase to those households with income at fifty percent (50%) of the area median income or below. Purchase price and the affordability period will be established using existing guidelines for the HOME program. Five percent (5%) of the funding for this activity will be used for project administration (\$27,000.00).</p>
<p>Location Description: Foreclosed properties in areas of the City with the greatest concentration of foreclosed properties</p>

ACTIVITY 3:

<p>Grant Number: B-08-MN-12-0015</p>	
<p>Activity Type: Acquisition - buyout of residential properties</p>	
<p>National Objective: NSP Only - LMMI</p>	<p>Total Budget, Disaster Recovery Grant \$ 1,458,654.00</p>
<p>Grantee Activity Number: 3</p>	<p>Projected Start Date: 02/02/2009</p>
<p>Activity Status: Planned</p>	<p>Projected End Date: 12/31/2011</p>

Performance Measure	Proposed	Low	Mod
# of Properties	9		
# of Housing units	9		
# of Households benefitting	9		
# of Parcels Acquired by condemnation	0		
# of Parcels acquired by admin settlement	0		
# of Parcels acquired voluntarily	9		
Total acquisition compensation to owners	\$800,000		

<p>Responsible Organization: City of Margate</p>
<p>Activity Description: The purpose of this activity is to purchase foreclosed properties and rehabilitate the properties to conform with local and state building codes and established City of Margate Rehabilitation Program standards. After rehabilitation of the properties is complete, the City will make the properties available for purchase to those households with income at one hundred and twenty percent (120%) of the area median income or below. Five percent (5%) of the funding for this activity will be used for project administration (\$73,000.00).</p>
<p>Location Description: Foreclosed properties in areas of the City with the greatest concentration of foreclosed properties</p>

CERTIFICATIONS

- (1) **Affirmatively furthering fair housing.** The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
- (2) **Anti-lobbying.** The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- (3) **Authority of Jurisdiction.** The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
- (4) **Consistency with Plan.** The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified

needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.

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

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

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

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

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

(10) **Use NSP funds ≤ 120 of AMI.** The jurisdiction will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income.

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

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

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

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

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

Signature/Authorized Official

Date

Title