

1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
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2. Areas of Greatest Need

Map Submission

A Countywide map showing all areas that are potentially eligible for NSP3 funds is included as Attachment A. The maps generated at the HUD NSP3 Mapping Tool for Preparing Action Plan website are included as Attachment B.

Data Sources Used to Determine Areas of Greatest Need

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

Response:

The County first used the HUD data from HUD's mapping tool and mapped all areas with a HUD-determined score of 17 and above (see Attachment A). Seventeen is the minimum score needed in California for an area to be eligible for NSP3 funded activities.

In addition, the following sources were used:

- Policy Map was used for additional NSP 3 information, such as income eligibility, foreclosure starts, and mortgage delinquency.
- Foreclosure Radar was used for additional foreclosure information (i.e. number of foreclosure filings) and the foreclosure trends for an area.
- American Community Survey 2005-2009 (U.S. Census Bureau) information was used for estimated number of housing units in an area, overall vacancy, and median gross rents, and household income.
- California (CA) Employment Development Department – Labor Market Information was used for current unemployment information for the overall County and the Cities within the County.
- RealData, Inc. Apartment Insights information was used for a snapshot of rental vacancy rates within target areas.

In addition to the sources above, the following studies or plans for a local jurisdiction were utilized providing additional information described above:

- Contra Costa County Consortium, 2010-15 Consolidated Plan
- Contra Cost County Consortium, Analysis of Impediments to Fair Housing Choice
- City of Pittsburg, Affordable Housing Market Study (December 2009), prepared by AECOM Economics

- City Of Pittsburg, Market Study for Affordable Senior Housing (March 2010), prepared by Laurin Associates/Raney Planning & Management, Inc.
- City of Antioch, Summary Appraisal Report/Market Study (June 2010), prepared by Joseph J. Blake and Associates, Inc.

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:

County staff first considered the amount of the NSP3 grant (\$1.8 million) and how to best meet the HUD-identified goals. It determined that it would pursue a multifamily rental project for the following reasons:

1. HUD requires grantees create a preference for rental housing. Multi-family housing is the most cost effective way to provide rental housing.
2. Multi-family rental is an effective way to meet the requirement to expend 25 percent of the NSP3 grant on low income households.
3. HUD is seeking a significant impact in a community from NSP3 activities. With the limited resources available, rental housing can be a more cost effective use of the funds and will concentrate the impact in a small area.
4. HUD has determined that a grantee must improve 20 percent of the foreclosed units in an area to show an impact. Some of the Contra Costa areas would have to be so small to reach the 20 percent threshold that it would be extremely difficult to find appropriate units to purchase and rehabilitate.

Next, the County used the HUD data from its mapping tool and mapped all areas with a HUD-determined score of 17 and above. (See Attachment A.) Seventeen is the minimum score needed in California for an area to be eligible for NSP3 funded activities. The cities and communities highlighted on the map have scores of at least 17 and are the following: Antioch, Bay Point, Concord, Pittsburg, North Richmond, Richmond, and San Pablo.

County staff met with representatives of all of these jurisdictions to determine which specific neighborhoods would be best served with NSP3 activities. County staff requested information, about projects or activities that the city and community representatives desired in their communities.

County staff reviewed that information together with its additional research on rents, incomes, vacancy rates, and neighborhood assets.

Potential Projects: Of the seven NSP3 qualifying areas, Antioch, Pittsburg, and Concord have various potential sites for multi-family rental housing that would meet the NSP3 community impact and funding expenditure requirements. Research on rental market information was done for all seven NSP3 qualifying areas with priority given to Antioch, Pittsburg, and Concord due to the likelihood of potential sites that would meet NSP3 requirements.

Vacancy Rate Information: According to 2005-2009 American Community Survey information, the overall vacancy rate for Contra Costa County is 6.9 percent. The overall vacancy rates of the

areas that meet the HUD determined score of 17 or above are as follows: **Antioch - 8.9 percent; Pittsburg – 9.1 percent; Concord – 5.8 percent; Bay Point – 7.1 percent; San Pablo – 9.1 percent; Richmond/North Richmond – 12.5 percent.** The overall vacancy rate includes owner-occupied units; however, a snapshot of multi-family apartment complexes (100 units or over) within the six areas shows a lower vacancy rate for each area: **Antioch – 4.8 percent; Pittsburg – 4.3 percent; Concord – 4.7 percent; Bay Point 5.0 percent; San Pablo – 6.8 percent; Richmond/North Richmond – 5.3 percent.** The differences between the overall vacancy rates and the rental vacancy rates are a reflection of the impact that the housing foreclosure crisis has on owner-occupied single-family properties within these areas. Furthermore, the lower vacancy rates for rental properties indicate that the rental market is still strong in these areas.

Median Gross Rent Information: The median gross rent for Contra Costa County as a whole is \$1,239. All NSP 3 qualifying areas are below the County median: Antioch - \$1,192; Pittsburg - \$1,197; Concord - \$1,171; Bay Point - \$1,076; San Pablo - \$999; Richmond/North Richmond - \$1,110.

Income and Unemployment Information: Contra Costa County is considered a high-income area; however, the communities in the County have a significant disparity of household income between them. According to Census information, the median household income for Contra Costa County is \$63,675. The annual median household incomes of each of the six NSP3 qualifying areas in the County are below the County's overall median household income. Antioch's median household income (\$60,360) is the highest of the County's six qualifying NSP3 areas, but still lower than the County's overall median household income. Pittsburg, Bay Point, San Pablo, and Richmond each have median household incomes near or below \$50,000. Concord is located in central Contra Costa County and although higher income communities tend to be located in central Contra Costa County, Concord's annual median household income (\$55,600) is closer to those of lower-income communities.

Unemployment is also particularly high in the six NSP3 qualifying areas. According to California Employment Development Department information, the unemployment rate for Contra Costa County dropped from 11.2 percent in November 2010 to 10.9 in December 2010. However, all six NSP3 qualifying areas still exceed the overall County unemployment rate. Pittsburg, San Pablo, Richmond, and Bay Point each have unemployment rates near or above 17 percent. The unemployment rates for both Antioch and Concord are approximately 12 percent. These six areas appear to be ideal for rentals given that most residents would not be able to afford to purchase a home due to the lower incomes and high unemployment rates found in these areas.

Neighborhood Asset Information: A review of neighborhood assets was done for each target area to see how attractive each area may be to potential renters. Each of the priority target areas (Antioch, Pittsburg, and Concord) has various amenities that most renters and families desire in a neighborhood (i.e. parks, commercial/retail, access to public transportation, schools, etc.). Each target area/city has an active redevelopment agency and these agencies completed various projects to improve the overall infrastructure and economic vitality of each area.

Foreclosures (for Tier 3 priority areas): Both Bay Point and San Pablo were selected areas because of the high number of foreclosures and they have been successful areas for NSP1 activities. Based on Policy Map (policymap.com) and Foreclosure Radar (foreclosureradar.com) information, Bay Point and San Pablo have high numbers of delinquent mortgages, foreclosure

starts, and overall number of foreclosure filings. Over the last year, San Pablo had over 280 foreclosure starts while Bay had over 180 foreclosure starts.

Based on the above conversations and information, County staff determined that a portion of west Antioch, Monument Corridor in Concord, and downtown Pittsburg showed the greatest potential benefit from NSP3 funds. These areas are called “Tier 1” in this application. The remaining areas are Bay Point, North Richmond (both City and County portions), and San Pablo. They are the “Tier 2” areas. Tier 2 areas are included in this application so if there are no feasible projects in any Tier 1 area, the County can quickly move onto other areas. Finally, if there are not any viable multi-family projects in either Tier 1 or Tier 2, the County will move to Tier 3.

Tier 3 will be one or more of above areas and will consist of scattered site single-family home acquisition and rehabilitation, and homebuyer downpayment assistance/shared appreciation loans. The priority Tier 3 areas will be Bay Point and San Pablo. These two areas have had successful NSP1 activities.

3. Definitions and Descriptions

Definitions

Term	Definition
Blighted Structure	“Blighted Structure” shall mean buildings or conditions causing blight as defined in California Health and Safety Code Section 33031(a)(1) and (2).
Affordable Rents	<p>A. For low income households, the product of one-twelfth of 30 percent times 50 percent of the area median income adjusted for family size appropriate for the unit, less an allowance for tenant paid utilities.</p> <p>B. For moderate income households whose gross incomes exceed the maximum income for low income households, the product of one-twelfth of 30 percent times 65 percent of the area median income adjusted for family size appropriate for the unit, less an allowance for tenant paid utilities.</p> <p>C. For middle income households, the product of one-twelfth of 30 percent times 110 percent of the area median income adjusted for family size appropriate for the unit, less an allowance for tenant paid utilities.</p>

Descriptions

Term	Definition
Long-Term Affordability	<p><u>Rental housing</u> developers will be required to enter into a Regulatory Agreement with a term of not less than 30 years.</p> <p><u>Shared Appreciation Loans</u>: Homebuyers who receive a shared appreciation loan will be required to enter into a Promissory Note</p>

	<p>which requires the home remains owner-occupied for the 30 year term of the loan.</p> <p><u>Presumed Affordability:</u> Homebuyers in North Richmond and Bay Point who purchase homes without financial assistance from the County will be required to enter into a Declaration of Restrictive Covenants. The Declaration of Restrictive Covenants requires homes to be owner occupied for the entire 20 year term of affordability.</p>
<p>Housing Rehabilitation Standards</p>	<p>“Rehabilitation Standards” shall mean the applicable residential standards in the California Building Code as amended by the California Building Standards Commission.</p> <p>In addition, as applicable, the following standards shall be met:</p> <ul style="list-style-type: none"> - All gut rehabilitation (i.e. 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) or new construction of residential buildings up to three stories shall be designed to meet the standard for Energy Star Qualified New Homes. - All gut rehabilitation or new construction or mid- or high-rise multifamily housing shall be designed to meet the American Society of Heating, Refrigeration, and 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). - Other rehabilitation shall meet these standards to the extent applicable to the rehabilitation work undertaken, e.g. replace older obsolete products and appliances (such as windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units refrigerators, clothes washers and dishwashers) with Energy Star-46 labeled products. - Water efficient toilets, showers, and faucets, such as those with the WaterSense label, shall be installed. - Where relevant, the housing will be improved to mitigate the impact of disasters such as earthquakes, fires, and flooding.
<p>Vicinity Hire</p>	<p>Contra Costa will encourage vicinity hiring to the extent practicable. The County will modify its Section 3 advertising and bidding policies to accommodate the vicinity hiring requirements.</p>

4. Low-Income Targeting

Low-Income Set-Aside Amount

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

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

Response:

Total low-income set-aside **percentage** (must be no less than 25 percent): 25.00%
 The minimum amount of funds set aside for low-income individuals will be 25 percent of the grant amount which is \$467,824. Up to \$1,685,000 may be used for low income housing if the selected Tier 1 activity requires that amount.

Meeting Low-Income Target

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

Response:

The County will issue a Request for Proposals (RFP) for a developer to meet the low income target. The RFP will allow developers to respond with either a proposal for rental housing or for homeownership. Proposals in the Tier 1 areas will be evaluated first. If there are no feasible Tier 1 proposals, then Tier 2 proposals will be evaluated. If there are no feasible Tier 1 or Tier 2 proposals, then Tier 3 proposals will be evaluated.

Rental Housing: Tier 1 proposals will be for a rental housing project in the Tier 1 areas. The projects may be either new construction on a vacant or abandoned site, or rehabilitation of an existing foreclosed development. Low and moderate units will be required based on a proportional share of the NSP3 investment into the project. For example, if the NSP3 funds are 10 percent of the total project cost, at least 10 percent of the units must be compliant with NSP3 income and rent requirements. Once 25 percent of the County's NSP3 funds have been used to support low income households, additional NSP3 funds may be allocated to the same project to support additional units that will be affordable to moderate income households.

Homeownership: A successful proposal for homeownership will demonstrate how a low-income household will be able to finance the purchase and maintain successful homeownership (i.e. cover future maintenance and repair costs, and not become cost burdened or at risk of foreclosure). The County successfully worked with Habitat for Humanity East Bay on NSP1 and expects the same type of approach will also work for NSP3.

5. Acquisition and Relocation

Demolition or Conversion of LMI Units

Does the grantee intend to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income)?	No
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If yes, fill in the table below.

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

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:

County staff met with representatives of all of the potential target areas. The group discussed the funding available and the HUD requirements and preferences. The County offered to provide a written report to the representatives, which summarized NSP3. Some representatives plan on taking a report to their City Council or Municipal Advisory Committees.

A memorandum that outlined the County approach to the NSP3 application was posted on the County website in late January. The NPS3 application was posted on the website on January 27, 2011. An email was sent to over 500 recipients notifying them of the memorandum and draft NSP3 application.

The application is scheduled for the County Board of Supervisors for approval on February 15, 2011.

Summary of Public Comments Received.

The summary of public comments received is included as an attachment.

7. NSP Information by Activity

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

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

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

Activity Number 1		
Activity Name	Multi-family Low Income Rental Housing	
Uses	Select all that apply:	
	<input checked="" type="checkbox"/> Eligible Use A: Financing Mechanisms	
	<input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/> Eligible Use C: Land Banking	
	<input type="checkbox"/> Eligible Use D: Demolition	
<input checked="" type="checkbox"/> Eligible Use E: Redevelopment		
CDBG Activity or Activities	24 CFR 570.201(a) – Acquisition (i) – Relocation. New construction is eligible as part of the redevelopment of demolished or vacant properties. 24 CFR 570.202 – Eligible rehabilitation and preservation activities	
National Objective	Low and Moderate Income Housing (LMMH) (LH25)	
Activity Description	<p>This activity will consist of one or more of the eligible uses noted above. Financing mechanism will be a low (i.e. between 1 and 3 percent) interest deferred loan to the developer of a multi-family rental project. The term will be for either 30, 40, or 55 years depending on requirements of other funding sources. A regulatory agreement with income, rent, and term of affordability will be record against the property.</p> <p>The Request for Proposals (see the responses to Question 4 above) will include existing foreclosed multi-family properties as well as demolished or vacant properties as eligible property types. Therefore, this activity may result in the acquisition and rehabilitation of an existing apartment building with occupants. The occupants may be temporarily or permanently displaced. The acquisition of a vacant site would support the new construction of affordable rental housing. Depending on the site cost, project size, timing, and budget, NSP3 funds may also be used for predevelopment and/or construction costs.</p>	
Location Description	<p>Tier 1 priority areas: These areas include neighborhoods within the cities of Antioch, Concord, and Pittsburg. NSP3 will focus on these areas for the first nine months of implementation. If a viable project is not identified within the first nine months, NSP3 activities will focus on Tier 2 priority areas (Bay Point, San Pablo, and North Richmond [City and County]).</p> <p>The purpose of this approach is to enable the County to move quickly and adapt to changing market conditions.</p>	
Budget	Source of Funding	Dollar Amount
	NSP3	at least \$467,824
	To Be Determined	To be determined
Total Budget for Activity	To be determined	
Performance Measures	A minimum of 5 Low- income rental units.	
Projected Start Date	Tier 1 start date is April 1, 2011, or as close to that date as practicable.	

	If after 9 months of the actual Tier 1 start date there is not a feasible Tier 1 proposals, then the County will move on and consider the Tier 2 proposals.	
Projected End Date	3/31/14	
Responsible Organization	Name	Contra Costa County
	Location	Department of Conservation and Development 2530 Arnold Drive, Suite 190 Martinez, CA 94553
	Administrator Contact Info	Kara Douglas Kara.Douglas@dcd.cccounty.us (925) 335-7223

Activity Number 2		
Activity Name	Multi-family Moderate Income Rental Housing	
Uses	Select all that apply:	
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/>	Eligible Use C: Land Banking
	<input type="checkbox"/>	Eligible Use D: Demolition
<input checked="" type="checkbox"/>	Eligible Use E: Redevelopment	
CDBG Activity or Activities	24 CFR 570.201(a) – Acquisition (i) – Relocation. New construction is eligible as part of the redevelopment of demolished or vacant properties.	
National Objective	Moderate Income Housing (LMMH)	
Activity Description	<p>This activity will consist of one or more of the eligible uses noted above. Financing mechanism will be a low (i.e. between 1 and 3 percent) interest deferred loan to the developer of a multi-family rental project. The term will be for either 30, 40, or 55 years depending on requirements of other funding sources. A regulatory agreement with income, rent, and term of affordability will be record against the property.</p> <p>The Request for Proposals (see the responses to Question 4 above) will include existing foreclosed multi-family properties as well as demolished or vacant properties as eligible property types. Therefore, this activity may result in the acquisition and rehabilitation of an existing apartment building with occupants. The occupants may be temporarily or permanently displaced. The acquisition of a vacant site would support the new construction of affordable rental housing. Depending on the site cost, project size, timing, and budget, NSP3 funds may also be used for predevelopment and/or construction costs.</p>	
Location Description	<p>Tier 1 priority areas: These areas include neighborhoods within the cities of Antioch, Concord, and Pittsburg. NSP3 will focus on these areas for the first nine months of implementation. If a viable project is not identified within the first nine months, NSP3 activities will focus on Tier 2 priority areas (Bay Point, San Pablo, and North Richmond [City and County]).</p> <p>The purpose of this approach is to enable the County to move quickly and adapt to changing market conditions.</p>	
Budget	Source of Funding	Dollar Amount
	NSP3	Up to \$1,216,341

	To be determined	To be determined
Total Budget for Activity	To be determined	
Performance Measures	Approximately 12 rental units affordable to Low and Moderate Income households.	
Projected Start Date	Tier 1 start date is April 1, 2011, or as close to that date as practicable. If after 9 months of the actual Tier 1 start date there is not a feasible Tier 1 proposals, then the County will move on and consider the Tier 2 proposals.	
Projected End Date	3/31/14	
Responsible Organization	Name	Contra Costa County
	Location	Department of Conservation and Development 2530 Arnold Drive, Suite 190 Martinez, CA 94553
	Administrator Contact Info	Kara Douglas Kara.Douglas@dcd.cccounty.us (925) 335-7223

Activity Number 3	
Activity Name	Single Family Low Income Housing
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 type="checkbox"/> Eligible Use C: Land Banking
	<input type="checkbox"/> Eligible Use D: Demolition
<input type="checkbox"/> Eligible Use E: Redevelopment	
CDBG Activity or Activities	24 CFR 570.201(a) Acquisition, (b) Disposition, (i) Relocation, (n) Direct Homeownership Assistance, 24 CFR 570.202 Eligible rehabilitation and preservation activities for homes and other residential properties, housing counseling for those seeking to take part in the activity.
National Objective	Low Moderate Middle Income Housing (LMMH)
Activity Description	<p>This activity is intended to meet the low income housing requirement. It is expected that this activity will be carried out by a non profit that specializes in self help housing.</p> <p>NSP funds will be loaned to the agency carrying out this activity. It will purchase vacant and foreclosed homes. The non-profit will select homebuyers who will assist in the rehabilitation of their future home. The selection process includes extensive outreach and marketing in the community. Marketing materials are translated into Spanish and other languages. Materials are provided to community organizations and churches. The non-profit screens the applicants for income eligibility and ability to pay the mortgage. They strive to work with families with the greatest need for decent housing. The work done by the future owner not only provides a "sweat equity" stake in the home, but also teaches the homebuyer valuable home maintenance skills. The non-profit will be the mortgage lender and will structure the loan to be affordable to the specific household. The typical structure provides a 30 year, zero interest, amortizing loan with a forgivable</p>

	<p>appreciation share provision. NSP3 funds will leverage volunteer labor, foundation grants, and donations of materials. Unless private sources of funds can be identified to supplement NSP3 funds, the full cost of the acquisition and rehabilitation will be funded with NSP3. In this case, the loans will transfer to the homeowner as amortizing loans with interest rates set so that the mortgage payments are affordable to the buyer (i.e. to keep housing costs equal to or less than 30% of the owner's income).</p> <p>The homes will be sold for an amount equal to or less than the total amount of funds used to acquire and rehabilitate the home. Homebuyers will be required to sign a 20 to 30 year resale restriction with the non profit entity operating the selfhelp program. The County will have a right of first refusal to purchase the home should the non-profit entity not be in a position to exercise its right in a future transaction. If redevelopment housing set-aside funds are used to supplement NSP3 funds, the buyer will be required to enter into a 45 year resale restriction. All properties will be purchased at a minimum of one percent less than the appraised value. Appraisals shall be consistent with the appraisal requirements of the Uniform Relocation Act.</p>	
Location Description	Tier 3 - Bay Point	
Budget	Source of Funding	Dollar Amount
	NSP3	None at this time
Total Budget for Activity	\$0.00	
Performance Measures	One home will be rehabilitated for every \$250,000 budgeted to this activity	
Projected Start Date	1/1/12 if Tier 3 activities are needed	
Projected End Date	3/31/14	
Responsible Organization	Name	Contra Costa County
	Location	Department of Conservation and Development 2530 Arnold Drive, Suite 190 Martinez, CA 94553
	Administrator Contact Info	Kara Douglas Kara.Douglas@dcd.cccounty.us (925) 335-7223

Activity Number 4	
Activity Name	Single Family Moderate and Middle Income Housing
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 type="checkbox"/> Eligible Use C: Land Banking
	<input type="checkbox"/> Eligible Use D: Demolition
<input type="checkbox"/> Eligible Use E: Redevelopment	
CDBG Activity or Activities	24 CFR 570.201(a) Acquisition, (b) Disposition, (i) Relocation, (n) Direct Homeownership Assistance, 24 CFR 570.202 Eligible rehabilitation and preservation activities for homes and other residential properties, housing counseling for those seeking to take part in the activity.
National Objective	Low Moderate Middle Income Housing (LMMH)

Activity Description	<p>NSP funds will be used to purchase and rehabilitate vacant and foreclosed homes. Unless private sources of funds can be identified to supplement NSP funds, it is likely that the full cost of the acquisition and rehabilitation will be funded with NSP. This activity will also fund down payment assistance for the homebuyer if needed. This approach is based on the County's NSP1 Activity One. The County funded non-profit developers to acquire and rehabilitate homes for low, moderate, and middle income homebuyers. The funds are initially loaned to the developer. At the completion of construction, the developer repays the NSP loan (less any amount loaned in excess of the sales price). The County makes a new loan to the homebuyers as deferred shared appreciation loans.</p> <p>The homes will be sold for an amount equal to or less than the total amount of funds used to acquire and rehabilitate the home. Homebuyers will be required to sign a 30 year shared appreciation promissory note. If redevelopment housing set-aside funds are used to supplement NSP funds, the buyer will be required to enter into a 45 year resale restriction. If no financial assistance is provided to the homebuyer, and the area qualifies under the presumed affordability provisions, then the buyer will sign a covenant to occupy the home.</p> <p>Resale restrictions are a deterrent to buyers when similar homes at the same price are available for purchase without restrictions.</p> <p>This activity will target properties that can be purchased and rehabilitated for under \$300,000. All properties will be purchased for at least one percent less than the appraised value. Appraisals shall be consistent with the appraisal requirements of the Uniform Relocation Act.</p>	
Location Description	(Area or possible areas of greatest need where activity is being undertaken)	
Budget	Source of Funding	Dollar Amount
	NSP3	None at this time. This activity will be funded if Activity 1 is not viable.
Total Budget for Activity	None at this time.	
Performance Measures	One home will be rehabilitated for every \$250,000 budgeted to this project.	
Projected Start Date	1/1/12 if Tier 3 activities are needed	
Projected End Date	3/31/14	
Responsible Organization	Name	Contra Costa County
	Location	Department of Conservation and Development 2530 Arnold Drive, Suite 190 Martinez, CA 94553
	Administrator Contact Info	Kara Douglas Kara.Douglas@dcd.cccounty.us (925) 335-7223

Activity Number 5	
Activity Name	Homeownership financial assistance
Use	Select all that apply: <input checked="" type="checkbox"/> Eligible Use A: Financing Mechanisms

	<input type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/>	Eligible Use C: Land Banking
	<input type="checkbox"/>	Eligible Use D: Demolition
	<input type="checkbox"/>	Eligible Use E: Redevelopment
CDBG Activity or Activities	24 CFR 570.201(n) Direct homeownership assistance	
National Objective	Low Moderate Middle Income Housing (LMMH)	
Activity Description	<p>This activity will provide downpayment and/or silent second shared appreciation mortgage assistance. Buyers will be required to contribute at least 3 percent of the purchase price from their own funds. NSP3 loans will be provided with fully amortizing, fixed interest rate loans. NSP3 loans will be provided as 30 year deferred payment, shared appreciation loans. The loans will be limited to 15 percent of the purchase price. Purchase prices are limited to \$300,000. Payments on the loans will be deferred until sale of the home or if the owner no longer occupies the home. When the loan is paid, the borrower will pay the original principal plus a share of the appreciation equal to the percentage of the NSP3 loan to the original purchase price. Adjustments will be made for capital improvements and deferred maintenance. All properties will be purchased at a minimum of 1 percent less than the appraised value. Appraisals shall be consistent with the appraisal requirements of the Uniform Relocation Act.</p>	
Location Description	Tier 3 Areas	
Budget	Source of Funding	Dollar Amount
	NSP3	None at this time. This activity will be funded if Tier 3 activities are needed.
Total Budget for Activity		
Performance Measures	One loan will be provided for every \$25,000 budgeted for this activity.	
Projected Start Date	1/1/12 if Tier 3 activities are needed	
Projected End Date	3/31/14	
Responsible Organization	Name	Contra Costa County
	Location	Department of Conservation and Development 2530 Arnold Drive, Suite 190 Martinez, CA 94553
	Administrator Contact Info	Kara Douglas Kara.Douglas@dcd.cccounty.us (925) 335-7223

Activity Number 6	
Activity Name	Program Administration
Use	Select all that apply:
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms
	<input type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/> Eligible Use C: Land Banking

	<input type="checkbox"/>	Eligible Use D: Demolition
	<input type="checkbox"/>	Eligible Use E: Redevelopment
CDBG Activity or Activities	An amount of up to 10 percent of an NSP grant provided to a jurisdiction and up to 10 percent of program income earned may be used for general administration and planning activities as defined at 24 CFR 570.205 and 206. Activity delivery costs may be charged to the specific activity.	
National Objective	N/A	
Activity Description	Planning and administrative work will include all tasks associated with the development and publication of the NSP Substantial Amendment. Activity development and related legal documents will also be covered by the planning and administration budget.	
Location Description	N/A	
Budget	Source of Funding	Dollar Amount
	NSP3	\$187,124.00
Total Budget for Activity	\$187,124.00	
Performance Measures	N/A	
Projected Start Date	4/1/11	
Projected End Date	3/31/14	
Responsible Organization	Name	Contra Costa County
	Location	Department of Conservation and Development 2530 Arnold Drive, Suite 190 Martinez, CA 94553
	Administrator Contact Info	Kara Douglas Kara.Douglas@dcd.cccounty.us (925) 335-7223

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

Title