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**MEMORANDUM NEIGHBORHOOD RESOURCES - COUNCIL MEMO NO. NR11-03**

**DATE:** JANUARY 13, 2011

**TO:** MAYOR AND CITY COUNCIL

**THRU:** RICH DLUGAS, ACTING CITY MANAGER *rd*  
PATRICK MCDERMOTT, ASSISTANT CITY MANAGER *[Signature]*  
JENNIFER MORRISON, NEIGHBORHOOD RESOURCES DIRECTOR *[Signature]*

**FROM:** CARL MORGAN, CDBG PROGRAM SUPERVISOR *[Signature]*

**SUBJECT:** APPROVE RESOLUTION NUMBER 4489 OF THE CITY OF CHANDLER, MARICOPA COUNTY, ARIZONA AMENDING THE 2010 ONE YEAR ACTION PLAN AND AUTHORIZING SUBMISSION OF A SUBSTANTIAL AMENDMENT TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR ITS CONSIDERATION IN ORDER TO RECEIVE FUNDING UNDER THE DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT OF 2010 TO ACCEPT NEIGHBORHOOD STABILIZATION PROGRAM FUNDS (NSP 3) AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO SUBMIT THE REQUIRED DOCUMENTS.

**RECOMMENDATION:** Approve Resolution No. 4489 authorizing approval of a Substantial Amendment to the FY 2010-11 One Year Action Plan and receipt of \$1,332,011 in Neighborhood Stabilization Program 3 funds.

**BACKGROUND:** In September 2010, the City of Chandler was notified of an allocation from the US Department of Housing and Urban Development's (HUD) Neighborhood Stabilization Program 3 (NSP 3) of \$1,332,011. The goal of the NSP program is to assist states and localities with funding to reverse the effects of foreclosures in their communities. This allocation is the second time the City has received NSP funding. Chandler was one of only eight Arizona cities selected to receive NSP 3 funding.

NSP 3 funds may be used for the following activities:

- Establishing financing mechanisms for the purchase and redevelopment of foreclosed homes and residential properties;
- Purchasing and rehabilitating abandoned and foreclosed homes and residential properties;
- Establishing land banks for foreclosed homes;
- Demolishing blighted structures; and

- Redeveloping demolished or vacant properties.

Furthermore, NSP 3 funds cannot be used for:

- Foreclosure prevention;
- Demolition of *non-blighted* structures; or
- Purchase of properties not abandoned, foreclosed upon, or blighted.

#### DISCUSSION:

The City funded 3 nonprofit programs with the NSP 1 dollars received from HUD in 2009:

- ARM of Save the Family- Create affordable rental housing
- Newtown Community Development Corporation- Develop Chandler Community Land Trust to help moderate income households become homeowners.
- Newtown Community Development Corporation- Down payment assistance for qualified first time homebuyers.

Staff reviewed the progress and success of Chandler's NSP 1 program and assessed residential redevelopment needs in Chandler to develop a recommendation for Chandler's NSP 3 program. In addition to partnering with nonprofits, staff is recommending that \$150,000 be allocated for acquiring foreclosed, blighted properties and demolishing these structures. Administrative funds are also needed to implement the proposed programs and to appropriately administer the new grant.

#### Application Process:

Three applications for NSP 3 funds from nonprofits were received and analyzed. The analysis included several issues that are NSP 3 program requirements including:

- Income Targeting: At least 25% of Chandler's NSP 3 allocation must be awarded to activities that assist residents at or below 50% AMI, or \$33,300/yr. for a family of four. Special recognition was given to NSP 1 funded programs that exceeded the 25% minimum requirement.
- Target Areas: NSP 3 funds must be used in target areas, as identified by the US Department of Housing and Urban Development (HUD). Attachment A is a map of the Census Tracts in Chandler with the highest risk assessment scores. HUD developed this scoring system using a number of factors including:
  - Number of residential addresses vacant 90 days or more
  - Percent of housing units with a high cost mortgage
  - Number of foreclosure starts in the past year
  - Number of REO, or lender owned housing units July 2009 to June 2010
- Neighborhood Impact: HUD guidance states that NSP 3 projects will need to concentrate funding in an area small enough to make a noticeable impact. HUD has identified the minimum number of units to be purchased with NSP 3 funds in each target area Census Tract to be considered a noticeable impact. Nonprofits were required to identify the target

area and their potential impact in that area as part of the application process. Attachment B is a map of the target areas for Chandler’s proposed NSP 3 activities.

Analysis of NSP 3 Applications

Organization and Activity	Units Proposed  Amount Requested	Per Unit Cost	Target Area Impact by Census Tract, (HUD Impact Score)			Admin. Fee	Other Funds for Program	Comments
			5231.02	5229.02	4229.09			
ARM of Save the Family, Affordable Rental	5-6 units, \$600,000	\$100,000 to \$120,000			5-6 (28)	\$8,500	\$0	Most affordable proposed rental activity.
Newtown CDC Homebuyer: Acquisition-Rehabilitation	7 units, \$492,447	\$70,350		27 (27)		\$0	\$875,473 secured	Most affordable cost per unit for proposed programs.
Homebuyer: Downpayment Assistance	20 units, \$200,000	\$10,000						
Chicanos Por La Causa Homebuyer: Acquisition-Rehabilitation	7 units, \$1,024,840	\$146,406	7 (27)				\$300,000 pending	

Substantial Amendment:

A copy of the Substantial Amendment that describes Chandler’s proposed NSP 3 activities is attached. This document is an amendment to Chandler’s existing 2010-2011 Annual Plan and is the NSP 3 application form that is required to be submitted to HUD by March 1, 2011. The Amendment includes a brief summary of Chandler’s proposed NSP 3 activities.

Based on the analysis of the applications received, redevelopment goals, and staffing capacity, staff has recommended the following activities as part of Chandler’s NSP 3 Substantial Amendment:

Permanent Affordable Rental Housing: \$419,643 will be allocated to ARM of Save the Family to purchase and rehabilitate three vacant, foreclosed single family properties and rent them to income-qualified families. The families will be selected, evaluated and monitored by ARM for their suitability for the program. ARM will assume responsibility for the on-going maintenance of the properties after acquisition. These homes will be rented out to

families at or below 50% AMI, or \$33,300 a year for a family of four. This activity will occur in the 422909 Census Tract.

Homebuyer Programs: \$692,447 will be allocated to Newtown Community Development Corporation for two programs that are projected to assist a total of twenty-seven households.

Home-Ownership Assistance: \$200,000 will be used to provide downpayment assistance for up to 20 first time homebuyers who purchase foreclosed properties. Homebuyers may also be able to receive up to \$15,000 in State of Arizona Individual Development Account matching funds for downpayment assistance provided with their own funds.

Chandler Community Land Trust: \$492,447 will be used to purchase up to 7 formerly vacant, foreclosed single-family homes and sell them to income qualified homeowners through the Community Land Trust. Buyers of a Land Trust home lease the land which is owned by the Land Trust and purchase only the structure that is on the land. With this program, the costs of the purchase are reduced for the homebuyer. The owner shares the equity in the home with the Land Trust. Because the home stays in the Land Trust when the current owner sells, the Land Trust provides an ongoing affordable homeownership opportunity for future homebuyers.

The families participating in these programs will be between 40% and 120% of area median income (AMI), or approximately \$26,640 to \$79,900 annually for a family of four. These programs will primarily occur in the 523002 Census Tract with four homebuyers located in the 422909 Census Tract.

Chandler Land Bank Program: \$150,000 will be allocated to the City's Land Bank Program. The program's goal is to acquire vacant, blighted, foreclosed property for future redevelopment. The program will use \$100,000 to acquire and maintain property in the land bank. An additional \$50,000 will be allocated to demolish blighted structures on the land. Once a sufficient amount of vacant land is assembled, the City will pursue redevelopment of the land for affordable housing opportunities. The program will be located in the 523002 Census Tract.

NSP 3 Administration: \$69,921 or approximately 5% on the NSP allocation will be allocated for City staff support and administrative activities required for the NSP 3 program.

FINANCIAL IMPLICATIONS: All costs associated with the federal Neighborhood Stabilization Program grant funds will be paid by the federal government and do not require repayment on the part of the City of Chandler.

HOUSING AND HUMAN SERVICES COMMISSION: The Housing and Human Services Commission held a public hearing on NSP 3 during their January 12, 2011 regular meeting. The Commission unanimously recommended Mayor and Council approve NSP 3 as described.

**PROPOSED MOTION:** Approve Resolution Number 4489 of the City of Chandler, Maricopa County, Arizona amending the 2010 One Year Action Plan and authorizing submission of a Substantial Amendment to the U.S. Department of Housing and Urban Development for its consideration in order to receive funding under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 to accept Neighborhood Stabilization Program funds (NSP 3) and authorizing the City Manager or his designee to submit the required documents.

Attachments: "A" – Need Score by Census Tract map, dated November 18, 2010  
"B" – Recommended NSP 3 Target Areas map, dated January 3, 2011  
"C" – NSP Substantial Amendment  
"D" – Resolution Number 4489



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### ATTACHMENT A

## CITY OF CHANDLER NEED SCORE BY CENSUS TRACT NOVEMBER 18, 2010

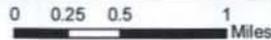
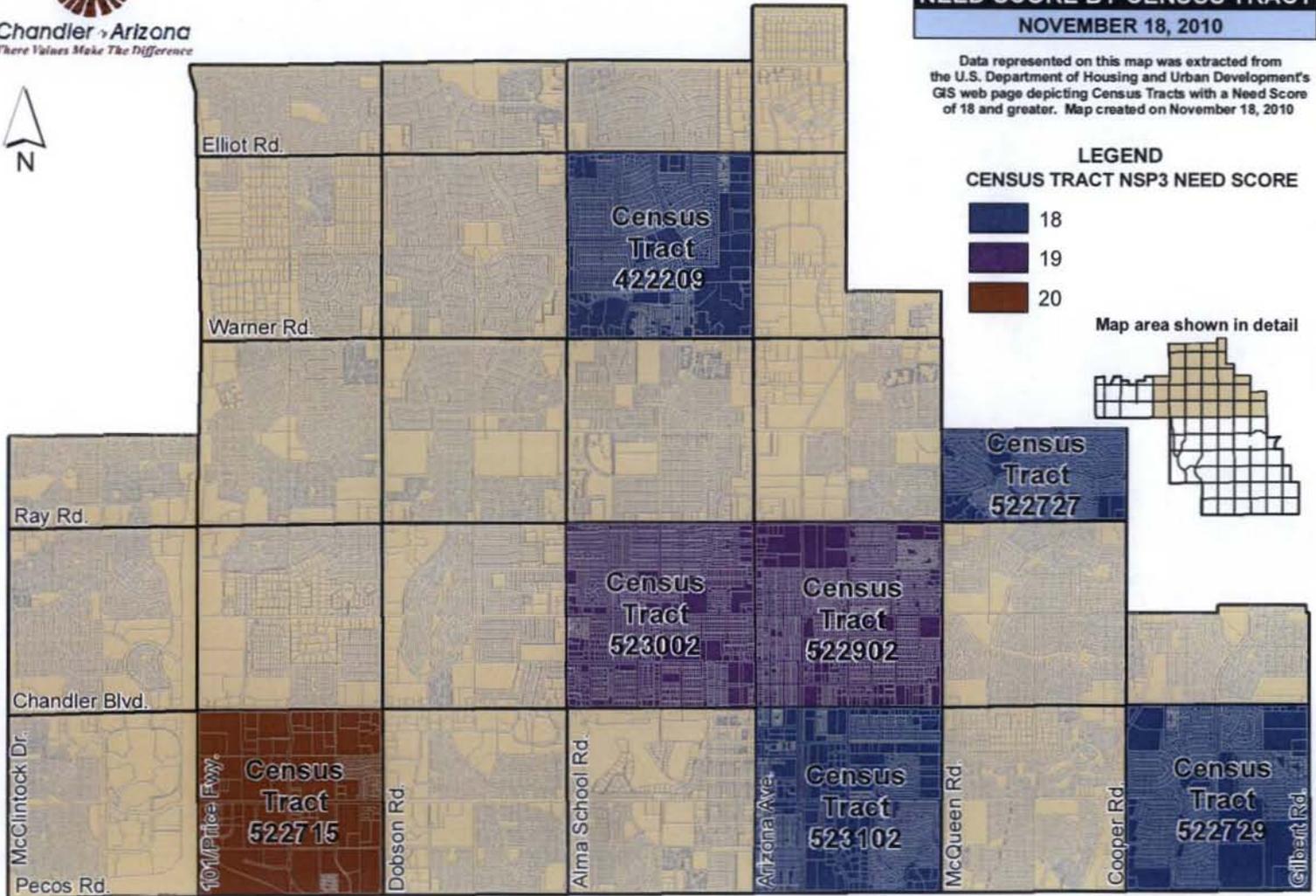
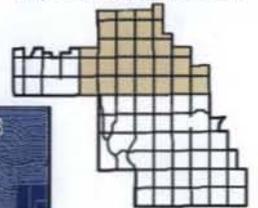
Data represented on this map was extracted from the U.S. Department of Housing and Urban Development's GIS web page depicting Census Tracts with a Need Score of 18 and greater. Map created on November 18, 2010



#### LEGEND CENSUS TRACT NSP3 NEED SCORE

- 18
- 19
- 20

Map area shown in detail

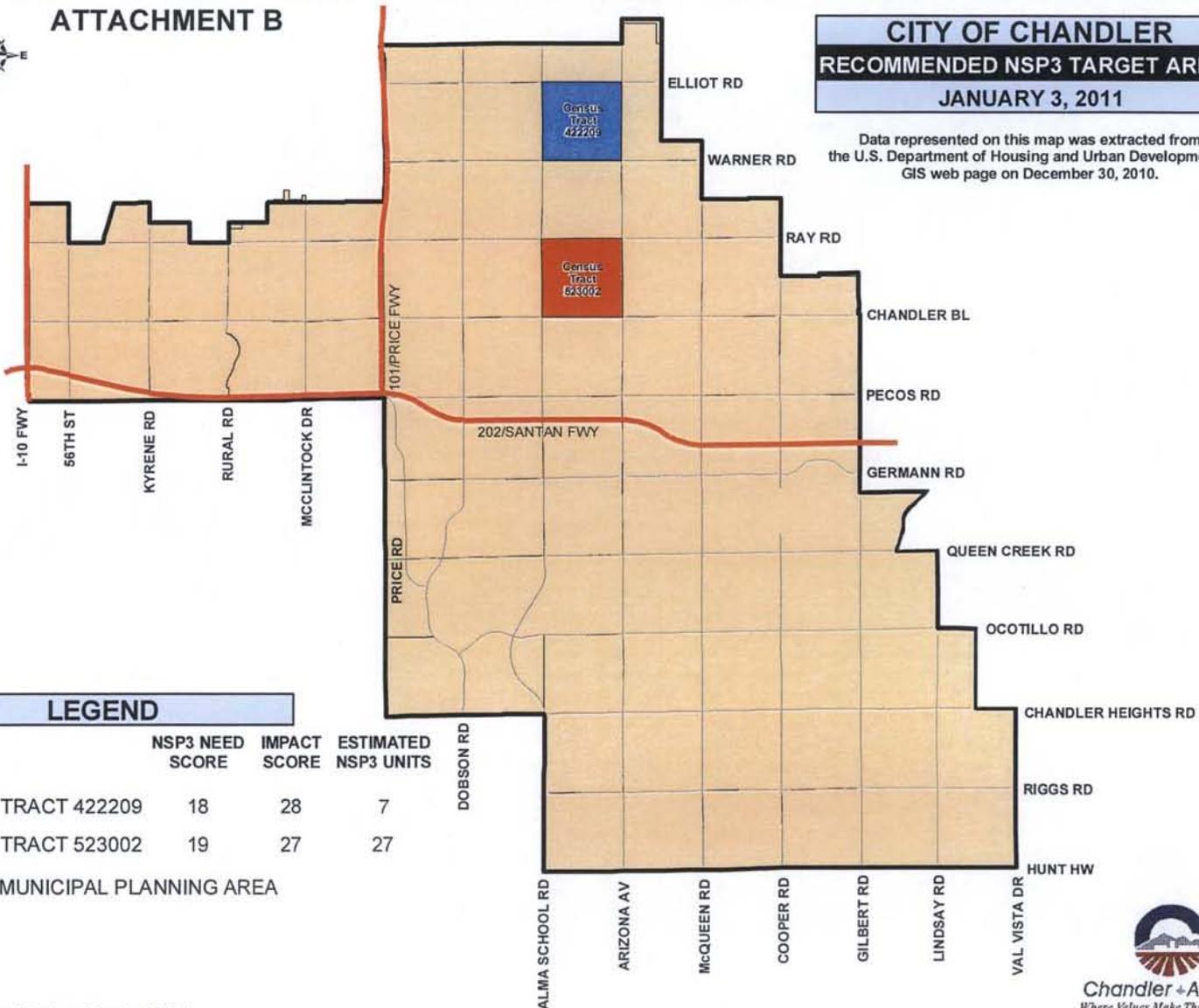


# ATTACHMENT B



## CITY OF CHANDLER RECOMMENDED NSP3 TARGET AREAS JANUARY 3, 2011

Data represented on this map was extracted from the U.S. Department of Housing and Urban Development's GIS web page on December 30, 2010.



### LEGEND

	NSP3 NEED SCORE	IMPACT SCORE	ESTIMATED NSP3 UNITS
TRACT 422209	18	28	7
TRACT 523002	19	27	27
MUNICIPAL PLANNING AREA			



ATTACHMENT C

**CITY OF CHANDLER  
NSP 3 SUBSTANTIAL AMENDMENT**

**1. NSP3 Grantee Information**

<b>NSP3 Program Administrator Contact Information</b>	
<b>Name (Last, First)</b>	Morrison, Jennifer
<b>Email Address</b>	Jennifer.morrison@chandleraz.gov
<b>Phone Number</b>	480-782-4347
<b>Mailing Address</b>	P.O. Box 4008, MS 600, Chandler, AZ 85244-4008

**2. Areas of Greatest Need**

**Map Submission**

The map generated at the HUD NSP3 Mapping Tool for Preparing Action Plan website is included as an attachment.

**Data Sources Used to Determine Areas of Greatest Need**

<b>Describe the data sources used to determine the areas of greatest need.</b>
<p>Response:</p> <p>The City of Chandler used various data sources to determine the areas of greatest need. According to Realtytrac data (November 2010) Arizona is listed as one of the top ten states in the country with the highest amount of foreclosures. There are over 10,300 homes in foreclosure or 1 out of every 262 homes. In the Phoenix area, the City of Chandler is ranked sixth in highest number of foreclosures. While the national average of foreclosures is 0.20%, Arizona ranks 0.38% with Chandler ranking a little higher with 0.39% of homes in foreclosure.</p> <p>As of November 2010, there were 370 foreclosed properties in the City of Chandler. The majority of homes that are bank-owned are three-bedroom single family homes, between 1,200 to 1,400 square feet. Many are being sold at auction for a price between \$100,000 - \$200,000. (Realtytrac, November 2010)</p> <p>Over the past three months, September - November 2010, the number of foreclosures being sold is decreasing, from 223 foreclosures sold in September to 175 foreclosures sold in November 2010, showing that foreclosures are remaining vacant and on the market longer. In response, the average foreclosure sales price is also decreasing from an average of \$185,000 in September 2010 to \$175,000 in November 2010. (Realtytrac, November 2010)</p> <p>American Fact Finder (U.S. Census Bureau, 2010) reports that the median household income in Chandler is \$70,413. Approximately 68% of homes are owner-occupied and 32% are renter-occupied. Chandler has a poverty rate of 5.2% while Arizona has a poverty rate of 14.7%. However, according to the City of Chandler's Consolidated Plan, there are an estimated 29,331 Chandler households paying more than 30% of household income for housing costs, including 18,002 low and moderate income households.</p>

According to the Department of Housing and Urban Development (HUD), a household that pays more than 30% of its gross household income on housing is defined as having a housing cost burden (overpayment). This definition of housing cost includes not only monthly rent and mortgage payments but an estimate of utility costs.

In Arizona, the 2009 Fair Market Rent (FMR) for a two-bedroom apartment was \$782, which includes an allocation for utility costs. To afford this rent without paying more than 30 percent of income for housing, a household must earn at least \$2,600 monthly or \$31,200 annually. Working full-time (40 hours per week) this translates into a housing wage of \$15.03. A minimum wage worker in Arizona earns \$7.25 per hour or \$15,080 per year; therefore, a minimum-wage earner must work approximately 83 hours per week or a household must contain more than two minimum wage earners in order to afford market rent.

### 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:

The State of Arizona has a Minimum Threshold NSP 3 Score of 17. Using the HUD Mapping Tool to assess potential NSP 3 target areas, the City of Chandler determined the following:

- one (1) census tract had a need score of 20, the highest in Chandler,
- two (2) census tracts had a need score of 19,
- four (4) census tracts had a need score of 18, and
- nine (9) census tracts had a need score of 17.

Based on the City's NSP 3 allocation amount, Chandler narrowed the analysis to seven census tracts with a need score of 18 or higher. According to Realtytrac, Chandler's 85225 zip code showed the highest trend of increasing foreclosure activity. In addition, the U.S. Census Bureau states over 11% of individuals residing in this zip code are living below the poverty line. All of the City's NSP 1 activities were concentrated within this zip code. In order for the City to utilize NSP 3 funding in the most effective way and to reduce as many foreclosures as possible, the City of Chandler narrowed its proposed target area even farther. The City of Chandler is proposing to concentrate NSP 3 activities within two census tracts, 422209 and 523002 which are both located within the 85225 zip code.

The two selected census tracts are established neighborhoods with amenities such as schools, shopping and local transportation making the areas desirable for homebuyers and tenants. Census Tract 523002 has a Neighborhood NSP 3 Score of 19. A little over 50% of persons living in this tract make less than 80% AMI while 73.5% make less than 120% AMI. There are a total of 2,094 housing units in this tract with 115 units (6 percent) vacant 90 or more days. In addition 1,100 units in this tract received a mortgage between 2004 and 2007 with 33.5% of them having a high cost mortgage (sub-prime). More than 19% of homeowners in this tract are 90 or more days delinquent or in foreclosure.

Census Tract 422209 has a Neighborhood NSP 3 Score of 18. Over 45% of persons living in this tract make less than 80% AMI while 66% make less than 120% AMI. There are a total of 2,947 housing units in this tract with 255 units (8.7 percent) vacant 90 or more days. In addition, 1,498 units in this tract received a mortgage between 2004 and 2007 with 26% of them having a high cost mortgage (sub-

prime). More than 15% of homeowners in this tract are 90 or more days delinquent or in foreclosure. The City has developed a strategic approach in targeting areas where NSP 3 activities will have a larger impact on more residents and where service providers can provide an effective program that will meet NSP 3 expenditure deadlines. The City of Chandler proposes to provide a multi-faceted approach to reducing foreclosures within these census tracts by providing a variety of NSP 3 activities: down payment assistance, acquisition/rehabilitation for first time homebuyers (Chandler Community Land Trust Program), permanent affordable rental unit development and acquisition/demolition/and reduction of blight.

With the creation of these proposed NSP 3 activities and layering them within target areas of other Chandler programs and resources, such as HOME and NSP 1 funded acquisition/rehabilitation for first time homebuyers, NSP 1 down payment assistance and NSP 1 permanent affordable rentals, the City of Chandler can make a visual and positive impact to reducing the number of vacant and foreclosed properties.

The City of Chandler proposes to develop three (3) permanent affordable rental units and four (4) units purchased with down payment assistance utilizing NSP 3 funds, for a total of seven (7) units in the 422209 census tract. The three affordable rental units will be utilized for persons whose annual household income is at or below 50% AMI. Four (4) households whose annual income is below 120% AMI will receive down payment assistance to purchase vacant, foreclosed homes. While the HUD impact number for this target area is 28 units, one (1) unit has also been created in this target area with NSP 1 making the total impact 8 or 30 percent of the HUD impact number. Due to the limited amount of funds available and current sale prices of foreclosed homes in Chandler, additional resources would be needed to increase the NSP 3 funded impact in this census tract.

The City of Chandler proposes to develop four (4) units through acquisition/demolition/land bank activities, provide down payment assistance to purchase sixteen (16) vacant, foreclosed homes, and seven (7) acquisition/rehabilitation units for first time homebuyers, for a total of 27 units in the 523002 target area. One acquisition/rehabilitation unit will be utilized for a first time homebuyer whose annual household income is at or below 50% AMI, twenty-five units will be utilized for residents whose annual household income are at or below 80% AMI and one (1) unit will be utilized for first time homebuyers whose annual household income is below 120% AMI. The HUD impact number for this census tract is 27 which Chandler proposes to successfully achieve.

### 3. Definitions and Descriptions

#### Definitions

Term	Definition
Blighted Structure	<p>Chapter 30 of the Chandler City Code defines blight as;</p> <p>Blight or blighted. Unsightly conditions including [including -- not limited to] accumulation of debris; fences characterized by holes, breaks, rot, crumbling, cracking, peeling or rusting; landscaping that is dead, characterized by uncontrolled growth or lack of maintenance, or is damaged; any other similar conditions of disrepair and deterioration; and the exterior</p>

	visible use or display of tarps, plastic sheeting, or other similar materials as flexible or inflexible screening, fencing, or wall covering upon a residential lot; regardless of the condition of other properties in the neighborhood.
Affordable Rents	<p>* Apartment/Walk-up: 65% of current HOME rental limit: Currently these rents are- 2 bedroom-\$480/mo, 3 bedroom-\$520/mo and 4 bedroom-\$555/mo. These rents are 35% below the low HOME Rental limit.</p> <p>* Townhouse/Row House &amp; Semi-detached duplex: 70% of the current low HOME rental limit: 2 bedroom-\$550/mo, 3 bedroom-\$600/mo, and 4 bedroom-\$645.00/mo. These limits are 30% below the low HOME Rental limit.</p> <p>* Detached house: 2 bedroom-75% of current low HOME rental limits: \$620/mo, 3 bedroom-\$670/mo and 4 bedroom-\$715/mo. These rental limits are 25% below the HOME rental limit.</p> <p>The City of Chandler Section 8 Program Rent Limits effective October, 2010 indicates a 2 bedroom FMR is \$890/mo, for a 3 bedroom the FMR is \$1,227/mo and for a 4 bedroom is \$1,437/mo. Proposed rental rates are substantially lower.</p> <p>In addition, ARM proposes to pay the water, sewer and refuse and if the unit has an HOA fee that is paid for by ARM as well.</p>

**Descriptions**

<b>Term</b>	<b>Definition</b>								
Long-Term Affordability	<p>The City of Chandler will ensure continued affordability for NSP 3-assisted housing by adopting the HOME program standards at 24 CFR 92.252 (a), (c), (e), and (f) for rental units and 92.254 for homeownership units.</p> <p>The affordability period for NSP 3-assisted acquisition or acquisition/rehab of rental and homeownership units will, at a minimum, meet the HOME standard:</p> <table border="0"> <tr> <td>Per-unit NSP 3 Assistance</td> <td>Min. Affordability Period</td> </tr> <tr> <td>up to \$15,000</td> <td>5 years</td> </tr> <tr> <td>\$15,000-\$40,000</td> <td>10 years</td> </tr> <tr> <td>above \$40,000</td> <td>15 years</td> </tr> </table>	Per-unit NSP 3 Assistance	Min. Affordability Period	up to \$15,000	5 years	\$15,000-\$40,000	10 years	above \$40,000	15 years
Per-unit NSP 3 Assistance	Min. Affordability Period								
up to \$15,000	5 years								
\$15,000-\$40,000	10 years								
above \$40,000	15 years								
Housing Rehabilitation Standards	<p>All rehabilitation under the NSP 3 program will meet the HUD CDBG Rehabilitation Standards (25 CFR 570.208(b) (1-2)) and local City of Chandler building codes. All rehabilitation must meet a minimum standard that public health, safety and welfare are maintained or enhanced as work is performed. All work must be completed in a professional workmanlike manner in compliance with the workmanship standards and licensing requirements of the Arizona Registrar of Contractors as established by Arizona Statute. All units rehabilitated with NSP 3 funding will meet at a minimum Housing Quality Standards and in addition will include Residential Energy Standards.</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): 37.00%

Total funds set aside for low-income individuals = \$ 489,993

### Meeting Low-Income Target

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

Response:

The City of Chandler proposes to meet and exceed the NSP 3 low-income set-aside percentage requirement. Through a partnership with Affordable Rental Movement of Save the Family (ARM), a total of three multi-family (single-family attached) units will be purchased, rehabilitated and rented to low-income working poor, formerly homeless or low-income Veteran families whose annual household income is at or below 50% of area median income (AMI). During the 20 year affordability period, it is estimated that 13+ families (39+ adults and children) will benefit from NSP 3 funded affordable rental units as their average length of tenant rental is 18 months. A total of \$419,643 in NSP 3 funding is proposed for this activity.

In addition, through a partnership with Newtown Community Development Corporation, a minimum of one (1) Community Land Trust home will be purchased, rehabilitated and resold to a low-income first time homebuyer whose annual household income does not exceed 50% of area median income (AMI). Community Land Trust homes stay permanently affordable as they are resold to income qualified buyers. A total of \$70,350 in NSP 3 funding is proposed for this unit included in the Chandler Community Land Trust activity.

A total of four units will be purchased, rehabilitated and used as affordable housing for low-income Chandler residents whose annual household income is at or below 50% AMI. A total of \$489,993 in NSP3 funding is proposed to meet the low-income target which is 37% of Chandler's total NSP 3 funding and exceeds the NSP 3 25% low-income set aside requirement.

## 5. Acquisition and Relocation

### Demolition or Conversion of LMI Units

Does the grantee intend to demolish or convert any low- and moderate-income dwelling units (i.e.,  $\leq$  80% of area median income)?

Yes

If yes, fill in the table below.

Question	Number of Units
The number of low- and moderate-income dwelling units—i.e., $\leq$ 80% of area median income—reasonably expected to be demolished or converted as a direct	

result of NSP-assisted activities.	4
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).	26
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	4

## 6. Public Comment

### Citizen Participation Plan

<b>Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment or abbreviated plan.</b>
<p>Response:</p> <p>The City of Chandler published its notice of availability of the NSP 3 Substantial Draft Amendment on the City of Chandler website beginning Tuesday, January 4, 2011 until Wednesday, January 19, 2011, the required 15-day public comment period. In addition, the City of Chandler held a public hearing at the Housing and Human Services Commission meeting on Wednesday, January 12, 2011 to provide opportunities for public review and comment. The Draft NSP 3 Substantial Amendment was reviewed and approved at the Thursday, January 27, 2011 Mayor and Council meeting.</p> <p>Comments received are attached.</p>

### 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	Permanent Affordable Rental Housing
<b>Uses</b>	Select all that apply:
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms
	<input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/> Eligible Use C: Land Banking
	<input type="checkbox"/> Eligible Use D: Demolition
<input type="checkbox"/> Eligible Use E: Redevelopment	

<b>CDBG Activity or Activities</b>	24 CFR 570.201(a) Acquisition and 24 CFR 570.202 Rehabilitation
<b>National Objective</b>	Low-Income Housing to Meet 25% Set-Aside (LH25)
<b>Activity Description</b>	<p>The Affordable Rental Movement (ARM) of Save the Family proposes to purchase and rehabilitate three multi-family units (2 and 3 bedroom units) for the use of permanent affordable rental housing. These housing units will be targeted and rented to income-qualified (below 50% AMI) working poor, formerly homeless families and low income Veteran families. It is estimated that a total of 13+ families (39 adults and children) will benefit from this activity over the affordability period (20 years) of this NSP 3 activity. The average length of time families live in ARM rental units is 18 months.</p> <p>ARM currently owns and operates 109 units of affordable housing. Units owned by ARM include single family homes, condominiums, apartments, duplexes and four-plexes scattered throughout the communities of Chandler, Mesa, Tempe, Scottsdale and Gilbert. ARM establishes working poor families and formerly homeless families in affordable housing through collaboration with their non-profit partner Save the Family whose families are offered supportive services while being an ARM tenant. Supportive services along with affordable rents assist families in reaching self-sufficiency.</p> <p>ARM proposes to purchase and rehabilitate three (3) multi-family units (single-family attached) units in the Chandler NSP 3 target Census Tract 422209. This census tract has an impact score of 28. While the ARM proposal does not reach the impact score due to limited NSP 3 resources, the proposed activities layer current NSP 1 activities within the same Chandler Census Tract to create a more visible and viable impact in this Chandler neighborhood. This Chandler Census Tract is an established neighborhood with local schools, shopping and bus routes making independence and self-sufficiency achievable for low-income families.</p> <p>When ARM chooses vacant and foreclosed properties to purchase, they choose properties that require the least amount of rehabilitation in order to expedite the move-in time for families and have neighborhood amenities that would be conducive to working poor families.</p> <p>Long term affordability is maintained by ARM providing a minimum of one-year leases to income qualified tenants. In addition, when a tenant reaches self-sufficiency and can afford market rate rentals or first time homeownership, the rental unit is rehabilitated and rented to another low-income household.</p> <p>The City of Chandler has given preference to the creation of permanent affordable rental units in Chandler, and therefore have proposed to award ARM of Save the Family 32% of Chandler's NSP 3 funds, exceeding the 25% set-aside requirement for low-income housing.</p> <p>The Chandler Permanent Affordable Rental Program achieves two Chandler</p>

	<p>NSP 3 goals; (1) reducing the number of vacant and foreclosed properties in Chandler neighborhoods and; (2) increasing the number of permanent affordable rental units in Chandler. Single family attached housing units are abundant in this Chandler Census Tract and when several become vacant and foreclosed within the same structure, the opportunity for vandalism, safety and criminal activity increases significantly. In addition, due to the close proximity of properties (single family attached) the visible impact of foreclosed properties is significant. By concentrating efforts to purchase and rehabilitate single family attached structures within this census tract, Chandler proposes to create a significant visible impact and increase property values within a relatively small area.</p> <p>ARM of Save the Family does not anticipate hiring any additional staff if awarded NSP 3 funds and does not believe the proposed activity will trigger Section 3 requirements. ARM will, however, include a preference in its request for bids for rehabilitation contracts that hire low-income Chandler residents or that subcontract with Chandler businesses.</p> <p>No resident displacement or relocation will take place with this activity as all homes purchased must be vacant.</p>	
<b>Location Description</b>	Chandler Census Tract 422209: NSP3 Need Score 18	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$\$419,643.00
	(Other funding source)	\$
<b>Total Budget for Activity</b>		<b>\$419,643.00</b>
<b>Performance Measures</b>	<p>Goals:</p> <ul style="list-style-type: none"> <li>- Increase the availability of permanent affordable rental housing in Chandler</li> <li>- Increase the housing supply for special needs populations</li> <li>- Reduce the number of vacant and foreclosed homes in Chandler neighborhoods</li> </ul> <p>Outputs:</p> <ul style="list-style-type: none"> <li>- 3 units purchased and rehabilitated</li> <li>- 3 previously homeless families housed</li> </ul> <p>Outcomes:</p> <ul style="list-style-type: none"> <li>- Reduced the number of vacant and foreclosed multi-family units in Chandler</li> <li>- Reduced homelessness</li> <li>- Increased supply of permanent affordable rental housing in Chandler</li> </ul>	
<b>Projected Start Date</b>	5/1/2011	
<b>Projected End Date</b>	3/31/12	
<b>Responsible Organization</b>	<b>Name</b>	Affordable Rental Movement (Arm) Of Save The Family
	<b>Location</b>	450 W. 4 <sup>th</sup> Place, Mesa, AZ 85201
	<b>Administrator Contact Info</b>	Jacki Taylor, Executive Director, 480-898-0228 ext. 212,

<b>Activity Number 2</b>	
<b>Activity Name</b>	Home-Ownership Assistance for First-time Homebuyers
<b>Use</b>	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
<b>CDBG Activity or Activities</b>	24 CFR 570.201(n) Direct homeownership assistance
<b>National Objective</b>	Low Moderate Middle Income Housing (LMMH)
<b>Activity Description</b>	<p>Newtown Community Development Corporation proposes to assist 20 first time homebuyers with down payment assistance (up to \$10,000 each with NSP3 funding) whose annual household income does not exceed 120% AMI.</p> <p>It is estimated that 15 first time homebuyers will have an area median income between 51% - 80% and would also be eligible for Individual Development Account (IDA) match funds up to \$15,000. A buyer with \$5,000 in down payment assistance of their own funds could potentially receive \$15,000 (IDA) plus \$10,000 (NSP3 DPA) for a total of \$30,000 in down payment assistance.</p> <p>It is estimated that five (5) first time homebuyers will have an area median income between 81% - 120% and would be eligible for \$10,000 in NSP3 DPA funding. First time homebuyers through this program will be traditional homebuyers purchasing foreclosed homes in the targeted census tracts.</p> <p>This activity is proposed to be targeted in two Chandler NSP3 Census Tracts, 523002 and 422209. Both census tracts show a high number of active REO listings and have high NSP 3 need scores (18 and 19). Both census tracts have established neighborhoods with nearby schools and amenities which are desirable traits for new home buyers. With the combination of other NSP 1 and NSP 3 activities in these census tracts, visual neighborhood impact is expected creating improved market conditions and increased neighborhood stabilization.</p> <p>Down Payment Assistance will be provided as a zero percent interest loan to income eligible first time homebuyers secured with a Deed of Trust and Promissory Note for a period of five years. Homebuyers must stay in the home as their primary place of residence for the entire five year period in order for the loan to be forgiven and lien released at the end of the term.</p> <p>Newtown Community Development Corporation does not anticipate hiring additional staff with this activity and will not trigger Section 3 requirements.</p> <p>No resident displacement or relocation will take place with this activity as all</p>

	homes purchased must be vacant.	
<b>Location Description</b>	Chandler Census Tract: 523002 NSP3 Need Score 19 (16 homeowners) Chandler Census Tract: 422209 NSP 3 Need Score 18 (4 homeowners)	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$\$200,000.00
	IDA Match Funds	\$\$300,000.00
	(Other funding source)	\$
<b>Total Budget for Activity</b>		\$500,000.00
<b>Performance Measures</b>	<p>Goals:</p> <ul style="list-style-type: none"> <li>- Attract new residents to target area</li> <li>- Increase homeownership in target area and leverage opportunities for private lending</li> <li>- Reduce the number of vacant and foreclosed properties in Chandler neighborhoods</li> </ul> <p>Outputs:</p> <ul style="list-style-type: none"> <li>- 20 first time homebuyers will receive down payment assistance to purchase a vacant, foreclosed home</li> <li>- An estimated 15 homebuyers will receive additional down payment assistance by qualifying for IDA match funds</li> </ul> <p>Outcomes:</p> <ul style="list-style-type: none"> <li>- Lower vacancy rates in targeted Chandler Census Tracts 422209 and 523002</li> <li>- Increased level of homeownership</li> <li>- Improved neighborhood stabilization and property values</li> </ul>	
<b>Projected Start Date</b>	5/1/2011	
<b>Projected End Date</b>	6/30/2013	
<b>Responsible Organization</b>	<b>Name</b>	Newtown Community Development Corporation
	<b>Location</b>	511 W. University Dr. # 4, Tempe, AZ 85281
	<b>Administrator Contact Info</b>	Allen Carlson, Executive Director 480-517-1589 allen@newtowncdc.org

<b>Activity Number 3</b>	
<b>Activity Name</b>	Chandler Community Land Trust Program
<b>Use</b>	Select all that apply:
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms
	<input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/> Eligible Use C: Land Banking
	<input type="checkbox"/> Eligible Use D: Demolition
<input type="checkbox"/> Eligible Use E: Redevelopment	
<b>CDBG Activity or Activities</b>	24 CFR 570.201 (a) Acquisition and 24 CFR 570.202 Rehabilitation
<b>National Objective</b>	Low Moderate Middle Income Housing (LMMH)
<b>Activity Description</b>	Newtown Community Development Corporation proposes to create

approximately 7 permanently affordable single family homes using the Community Land Trust (CLT) model.

The Community Land Trust model purchases vacant, foreclosed single family homes, rehabilitates them to meet energy efficiency and habitability standards and sells only the structure to income qualified first time homebuyers. The land will remain in the land trust for perpetuity.

The homebuyer and the land trust share equity in the land trust home until the homeowner decides to sell the home. To ensure continued affordability, the land trust then has first right of refusal to repurchase the home, splitting the equity with the seller and then reselling to another income eligible first time homebuyer. This ensures permanent affordable housing options for low- and moderate income first time homebuyers in Chandler.

It is estimated that 6 units will be purchased, rehabilitated and resold or leased to first time homebuyers whose annual household income is at or below 80% area median income (AMI). At least one (1) unit will be purchased, rehabilitated and resold or leased to a first time homebuyer whose annual household income is at or below 50% of area median income (AMI).

A lease-purchase option will be available to buyers who need 12 to 18 months to "clean-up" credit issues and save for a down payment. All first time homebuyers participating in the land trust program receive one-on-one housing counseling and must attend an 8-hour homebuyer class.

The seven proposed units will be purchased in the Chandler NSP3 targeted census tract 523002 for a number of reasons. After a comparative analysis, this census tract shows the highest probability of success for the proposed activities. This census tract currently has the highest number of active REO listings, has a NSP 3 Need Score of 19 and has an impact score of 27 units. This activity combined with the Down Payment Assistance activity and the Land Banking/demolition activity outlined as Activity Number 4 concentrated in this census tract will have a visible impact in this neighborhood. The combination of these activities will meet the impact score of 27 and remove vacant and foreclosed units from the market and provide new affordable housing activities.

In addition, this census tract is more desirable for potential buyers. The analysis conducted in the 523002 Census Tract indicates there is moderate demand and a moderate supply of eligible properties. Program design implications suggest that for this market type, home sales programs may work well and rental development may also be promising. The provision of the Down Payment Assistance Program, the Community Land Trust Program and the Land Bank activities offer a multi-faceted approach to reducing foreclosures in this census tract.

Newtown Community Development Corporation does not anticipate hiring

	<p>any additional staff if awarded NSP 3 funds and does not believe the proposed activity will trigger Section 3 requirements. Newtown will, however, include a preference in its request for bids for rehabilitation contracts that hire low-income Chandler residents or that subcontract with Chandler businesses.</p> <p>No resident displacement or relocation will take place with this activity as all homes purchased must be vacant.</p>	
<b>Location Description</b>	Chandler Census Tract: 523002	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$\$492,447.00
	Wells Fargo Loan	\$\$505,473.00
	ACF Loan	\$\$70,000.00
<b>Total Budget for Activity</b>	\$1,067,923.00	
<b>Performance Measures</b>	<p>Goals:</p> <ul style="list-style-type: none"> <li>- Increase the number of homeownership opportunities in Chandler NSP 3 target areas</li> <li>- Reduce the number of vacant and foreclosed properties in Chandler neighborhoods</li> <li>- Attract new residents to target area</li> </ul> <p>Outputs:</p> <ul style="list-style-type: none"> <li>- Purchase/rehabilitate seven vacant, foreclosed single-family homes in Chandler Census Tract: 523002 to include in the Chandler Community Land Trust.</li> <li>- Sell or provide lease-purchase opportunities for seven income eligible first time homebuyers for homes in the Chandler Community Land Trust (6 units available for income qualified buyers at or below 80% AMI and 1 unit available for income qualified buyers at or below 50% AMI).</li> </ul> <p>Outcomes:</p> <ul style="list-style-type: none"> <li>- Increased level of homeownership in Chandler</li> <li>- Decreased vacancy rates in Chandler</li> <li>- Increased stabilization and property values in Chandler neighborhoods.</li> </ul>	
<b>Projected Start Date</b>	5/1/2011	
<b>Projected End Date</b>	6/30/2013	
<b>Responsible Organization</b>	<b>Name</b>	New Town Community Development Corporation
	<b>Location</b>	511 W. University Dr. # 4, Tempe, AZ 85281
	<b>Administrator Contact Info</b>	Allen Carlson, Executive Director 480-517-1589 allen@newtowncdc.org

<b>Activity Number 4</b>	
<b>Activity Name</b>	Chandler Land Bank Program
<b>Use</b>	Select all that apply: <input type="checkbox"/> Eligible Use A: Financing Mechanisms

	<input type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation <input checked="" type="checkbox"/> Eligible Use C: Land Banking <input checked="" type="checkbox"/> Eligible Use D: Demolition <input type="checkbox"/> Eligible Use E: Redevelopment
<b>CDBG Activity or Activities</b>	24 CFR 570.21(a) Acquisition and (b) Disposition for the establishment of and operation of land banks and 24 CFR 570.201 (d) Clearance of blighted structures only.
<b>National Objective</b>	Low Moderate Middle Income Housing (LMMH)
<b>Activity Description</b>	<p>The City of Chandler will purchase approximately two vacant, foreclosed, blighted multi-family structures (total of 4 units), demolish the blighted structures and hold the property in an established land bank for purposes of redevelopment.</p> <p>Vacant, foreclosed and blighted multi-family structures cause significant safety hazards. In addition, these structures are visually unappealing, cause a significant reduction in neighborhood confidence and increase the neighborhood's vacancy rate. The City of Chandler proposes to remove blighted property in a strategic way to support NSP 3 neighborhood stabilization goals and acquire and maintain the property in the City of Chandler land bank for future use.</p> <p>The City of Chandler will purchase the foreclosed properties at a discounted rate of at least 1% less than appraised value. The property structures will be properly boarded and secured until demolition of blighted structures occurs. The remaining land will be maintained for no longer than 10 years in the Chandler Land Bank which is used as an overall neighborhood revitalization strategy to eliminate blighting structures and provide the opportunity for the redevelopment of affordable housing.</p> <p>It is not anticipated that displacement of any tenants will occur as the structures will have met vacancy requirements stipulated by NSP 3 funding.</p> <p>The City of Chandler will, to the greatest extent feasible, offer construction opportunities to Section 3 eligible residents and/or businesses located in Chandler and require contractors to offer vicinity hiring if such project offers new employment opportunities.</p> <p>The targeted location for this activity is the Chandler NSP 3 Census Tract 523002. This census tract contains a large amount of multi-family structures, including duplexes and triplexes available for rent. When an entire multi-family structure becomes vacant and falls into foreclosure, the potential for crime activity and safety hazards increases.</p> <p>The City of Chandler does not anticipate hiring any additional staff to implement this activity and does not believe the proposed activity will trigger Section 3 requirements. The City of Chandler will, however, include a preference in its request for bids for demolition contract(s) that hire low-</p>

	income Chandler residents or that subcontract with Chandler businesses.  No resident displacement or relocation will take place with this activity as all multi-family structures purchased must be vacant.	
<b>Location Description</b>	Census Tract: 523002 NSP 3 Need Score 19	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$\$150,000.00
	(Other funding source)	\$
	(Other funding source)	\$
<b>Total Budget for Activity</b>	\$150,000.00	
<b>Performance Measures</b>	<p>Goal: To reduce the number of vacant, foreclosed, blighted multi-family units in the City of Chandler NSP 3 target area (Census Tract: 523002).</p> <p>Outputs:</p> <ul style="list-style-type: none"> <li>- Purchase approximately 2 vacant, foreclosed, blighted multi-family structures</li> <li>- Demolish approximately 2 vacant, foreclosed, blighted multi-family structures (total of 4 units)</li> <li>- Redevelop land held in established land bank for approximately 4 affordable housing units for income qualified households (80% and below AMI).</li> </ul> <p>Outcomes:</p> <ul style="list-style-type: none"> <li>- Reduced the number of vacant, foreclosed multi-family housing units in Chandler</li> <li>- Reduced number of blighted structures in Chandler</li> <li>- Increased number of affordable housing units in Chandler</li> </ul>	
<b>Projected Start Date</b>	7/1/2011	
<b>Projected End Date</b>	6/30/2013	
<b>Responsible Organization</b>	<b>Name</b>	City Of Chandler
	<b>Location</b>	235 S. Arizona Ave. Chandler, AZ 85225
	<b>Administrator Contact Info</b>	Jennifer Morrison, Neighborhood Resources Director 480-782-4347 jennifer.morrison@chandleraz.gov

<b>Activity Number 5</b>	
<b>Activity Name</b>	NSP 3 Administration
<b>Use</b>	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	
<b>CDBG Activity or Activities</b>	24 CFR 570.206 Administration

<b>National Objective</b>	(Select One)	
<b>Activity Description</b>	<p>The City of Chandler will utilize \$69,921 or 5% of its total NSP 3 allocation for administration of Chandler's NSP 3 programs. Funding will be utilized for portions of staff salaries for implementation of the City's NSP 3 activities and for oversight of subrecipient NSP 3 activities.</p> <p>The City of Chandler does not anticipate hiring additional staff for NSP 3 administration and will not trigger Section 3 requirements.</p>	
<b>Location Description</b>	Chandler NSP 3 Census Tracts: 523002 and 422209	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$\$69,921.00
	(Other funding source)	\$
	(Other funding source)	\$
<b>Total Budget for Activity</b>	\$69,921.00	
<b>Performance Measures</b>	<p>Goal: To successfully implement and administer NSP 3 activities and programs in the City of Chandler's targeted neighborhoods.</p> <p>Outputs:  - Contract with Affordable Rental Movement (ARM) of Save the Family to implement NSP 3 Permanent Affordable Rental Program  - Contract with Newtown Community Development Corporation to implement NSP 3 Down Payment Assistance and Chandler Community Land Trust programs  - Implement the City of Chandler Land Bank Program which includes acquisition and demolition activities</p> <p>Outcomes:  - Successful implementation of all NSP 3 activities and programs  - Compliance met for all NSP 3 activities and programs  - Visible and physical impact in Chandler targeted NSP 3 census tracts due to NSP 3 programs and activities</p>	
<b>Projected Start Date</b>	5/1/2011	
<b>Projected End Date</b>	6/30/2013	
<b>Responsible Organization</b>	<b>Name</b>	City Of Chandler
	<b>Location</b>	235 S. Arizona Ave. Chandler, AZ 85225
	<b>Administrator Contact Info</b>	Jennifer Morrison, Neighborhood Resources Director 480-782-4347 jennifer.morrison@chandleraz.gov

## 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

## **Certifications for Non-Entitlement Local Governments**

- (1) **Affirmatively furthering fair housing.** The jurisdiction certifies that it will affirmatively further fair housing.
- (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) **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.
- (10) **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.

(11) **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.

(12) **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.

(13) **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.

(14) **Compliance with laws.** The jurisdiction certifies that it will comply with applicable laws.

(15) **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.

(16) **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

RESOLUTION NO. 4489

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, MARICOPA COUNTY, ARIZONA AMENDING THE 2010 ONE YEAR ACTION PLAN AND SUBMITTING THE SUBSTANTIAL AMENDMENT TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR ITS CONSIDERATION IN ORDER TO RECEIVE FUNDING UNDER THE DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT OF 2010 TO ACCEPT NEIGHBORHOOD STABILIZATION FUNDING (NSP3).

BE IT RESOLVED by the City Council of the City of Chandler, Arizona, as follows:

WHEREAS, in July 2010, Congress enacted Section 1497 of the Wall Street Reform and Consumer Protection Act, which provided funding to U.S. Department of Housing and Urban Development (HUD) to allocate to states, counties and cities to assist in the redevelopment of abandoned and foreclosed homes; and

WHEREAS, Section 1497 of the Wall Street Reform and Consumer Protection Act created and funded additional assistance for the Neighborhood Stabilization Program (NSP) for the redevelopment of abandoned and foreclosed homes. The Neighborhood Stabilization Program allows state and local governments to utilize the funding by establishing financing mechanisms for the purchase and redevelopment of foreclosed homes and residential properties; purchasing and rehabilitating abandoned or foreclosed residential properties; establishing land banks for foreclosed homes; demolishing blighted structures; and redeveloping demolished or vacant properties, among other eligible activities; and

WHEREAS, the City of Chandler, Arizona has been allocated \$1,332,011.00 in funding from HUD to be used toward the above mentioned purposes; and

WHEREAS, in order to receive this funding, the City must amend its 2010 One Year Action Plan which was approved by Council through Resolution No. 4395, and submit said Substantial Amendment to HUD for its consideration; and

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby approve application to the U.S. Department of Housing and Urban Development with all documents, submissions, plans, and materials required by the Act: and

FURTHER, that the Mayor or City Manager, subject to requirements of the City Code, or their designee(s) are authorized to execute and submit the aforesaid Substantial Amendment to the United States Department of Housing and Urban Development.

FURTHER, that the Substantial Amendment to the 2010 Action Plan prepared pursuant to the Wall Street Reform and Consumer Protection Act, a copy of which, in

substantial form, is on file in office of the Director of Neighborhood Resources and is incorporated herein by reference, is hereby approved.

FURTHER, the City Manager or his designee shall have authority to provide required policy and administrative assurances including civil rights, equal opportunity, citizen participation, relocation and property acquisition policy, environmental assurances, labor standards, and others as may be specified;

FURTHER, that the City Manager or his designee be and is hereby authorized to take those actions necessary and prudent to implement the program outlined by the City Council including the expenditure of funds, the hiring of personnel and/or contractors, the scheduling of activities, the establishment of procedures for monitoring and evaluation of program activities and other steps necessary to insure that the program can be carried out in a timely and effective manner.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2011.

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above foregoing Resolution No. 4489 was duly passed and adopted by the City Council of the City of Chandler, Arizona at a regular meeting held on the \_\_\_\_ day of \_\_\_\_, 20\_\_, and that a quorum was present thereat.

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY *GAB*