

AMENDMENT TO THE NSP SUBSTANTIAL AMENDMENT

9/15/2009

(Note: Amendments are shown by ~~strikeout~~/underline)

<p>Jurisdiction(s): County of Kern - Community and Economic Development Department <i>(identify lead entity in case of joint agreements)</i></p> <p>Jurisdiction Web Address: http://www.kerncounty.com/cd/ <i>(URL where <u>Amendment to NSP Substantial Amendment materials are posted</u>)</i></p>	<p>NSP Contact Person: Barry Jung, Director Address: 2700 “M” Street, Suite 250 Bakersfield, CA 93301 Telephone: (661) 862-5041 Fax: (661) 862-5052 Email: barry@co.kern.ca.us</p>
---	---

A. AREAS OF GREATEST NEED

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

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

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

Response:

Methodology:

The County of Kern has identified “Areas of Greatest Need” within its Plan Jurisdiction by utilizing Low, Moderate and Middle Income (LMMI) and High Foreclosure and Abandonment Risk data (scores ranging from 1-10) which have been provided by the U.S. Department of Housing and Urban Development. By overlaying these two data sets over the boundaries of Census Tract Block Groups, specific “target areas” reflecting the

greatest need within the Plan Jurisdiction have been determined. Since this data is historical in nature, and market conditions in the jurisdiction are changing rapidly, adjustments to the target areas may be required in the future.

Maps and Data:

Census Tract Block Groups in which 51% or more of the residents have 120% or less of Area Median Income (or LMMI) were identified. These LMMI Areas were then correlated with those Census Tract Block Groups having Foreclosure and Abandonment Risk Scores of 8-10. These are the County's identified "Areas of Greatest Need" and are identified on the enclosed maps. In addition to the maps, tabular Census data reflecting those Block Groups which are located within these "Areas of Greatest Need" are enclosed.

(See maps of County, Bakersfield Metro-Unincorporated., Census Designated Places and Cooperative Agreement Cities beginning on page 20 and NSP Areas of Greatest Need by Block Groups beginning on page 37.)

B. DISTRIBUTION AND USES OF FUNDS

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

Response:

General:

As mentioned above, the County's Areas of Greatest Need have been identified based on HUD Census 2000 data which reflect low, moderate and middle income (LMMI) Block Groups, and an overlay of HUD's Foreclosure and Abandonment Risk Score (FARS) which combines the three (3) variables of home foreclosure, subprime mortgage related loans, and mortgage delinquencies within those Block Groups. The County will meet the requirements of Section 2301(c)(2) of HERA by targeting NSP funds to those Areas of Greatest Need which have been identified by the County as those LMMI Block Groups which have FARS of 8-10.

The County will provide information (see enclosed maps and tables) which specify those Block Groups that have been identified as Areas of Greatest Need and targeted for NSP funds to its subrecipients and to area lenders, real estate professionals, and prospective buyers within the Plan Jurisdiction. Furthermore, the County will also provide current year HUD Income Limits data which will assist sellers, lenders, realtors, and prospective buyers in determining income eligibility.

Program Specific:

**Golden Empire Affordable Housing, Inc. (GEAH), (Rental Housing Activity).
Housing Authority of the County of Kern (HACK) Rental Housing Activity**

The County proposes to provide \$3,000,000 or 26.8% of its allocation to GEAH, a non-profit agency ~~HACK~~ in the form of grants or zero interest deferred payment loans which may be zero interest deferred payment forgivable loans with equity sharing for the purchase and ~~or~~ rehabilitation of vacant foreclosed residential properties that are located within areas of the County designated "Areas of Greatest Need." ~~to be rented by HACK~~ ~~to~~ The housing units will be rented to qualified households with incomes that do not exceed 50% of AMI. Additionally, households renting single-family homes may be afforded the opportunity to purchase the homes they are renting. ~~HOME Affordability Periods based on the dollar amount of NSP funds expended for each individual property will be applied to assure long-term affordability.~~

With property values for rental units estimated between \$80,000 and \$125,000, it is projected that a total of 45 rental units may be purchased/rehabilitated with NSP funds.

Countywide Rental Housing Activity

The County proposes to allocate \$1,000,000 or 8.9% of its NSP allocation to this activity. NSP funds may be utilized by non-profit or for-profit developers to purchase and rehabilitate vacant, foreclosed residential properties (preferably duplexes, tri-plexes, four-plexes) that are located within areas of the County designated "Areas of Greatest Need," rehabilitate the units if necessary, and rent the units to qualified persons or households that have annual incomes that do not exceed 50% of AMI, including "special needs" populations. Although to be implemented by the County, under this activity, NSP funds may be provided, upon application to the County for funding, to eligible non-profit and other agencies/organizations that have experience and capacity to own, operate, and manage rental housing in the form of zero interest deferred payment loans. ~~with equity sharing.~~

With anticipated purchase costs of \$80,000 to \$125,000 per unit, it is estimated that 10 rental units may be purchased/rehabilitated with NSP funds.

Countywide Homebuyer Assistance Activity

The County proposes to utilize \$500,000 or 4.46% ~~\$6,040,247 or 53.9%~~ of its NSP allocation towards a Countywide Homebuyer Assistance Activity. Under this activity, NSP funds will be provided to qualified LMMI households in the form of financial assistance toward the purchase of vacant, real estate owned (REO), single family homes. Financial assistance may consist of zero interest deferred loans ~~with equity sharing~~ for one or more of the following eligible costs: closing costs, pre-paid insurance and taxes, down payment assistance, and rehabilitation if required to bring the structure into compliance with County "livability standards."

To ensure that NSP funds are targeted more to Areas of Greatest Need, the activity will provide a greater level of assistance to qualifying applicants who choose to purchase a

foreclosed home in one of the Areas of Greatest Need. This greater level of assistance may include, but is not limited to, NSP funds for closing costs and pre-paid costs.

Based on the recent County median home sales price of \$186,000, and given the NSP requirement that purchases must be at an aggregate 1% ~~15%~~ discount from fair market value, it is estimated the maximum price for homes to be assisted with NSP funds may be approximately \$158,100.

A total of 10 ~~85~~ homebuyers may be assisted under this activity.

Countywide Homebuyer Counseling Activity

NSP funds in the amount of \$50,000 (.45% the County’s NSP allocation) will be allocated to a Countywide Homebuyer Counseling Activity. This activity will provide HUD-approved counseling services, via a Request for Proposal process, to approved NSP-assisted homebuyers. A minimum of 8 hours of counseling will be required of each NSP-assisted homebuyer.

Housing Purchase and Rehab Activity for Single Family Dwellings. The County proposes to provide \$5,540,246 or 49.4% of its allocation to Non-Profit Agencies or private developers in the form of loans which may include zero interest deferred payment forgivable loans, for the purchase and rehabilitation of vacant foreclosed single-family residential properties that are located within areas of the County designated “Areas of Greatest Need.” The housing purchased and rehabilitated by the non-profit agency/developers will then be sold to qualified households with incomes that do not exceed 120% of AMI. It is projected that a total of 40 single family dwellings may be purchased/rehabilitated and re-sold with NSP funds.

C. DEFINITIONS AND DESCRIPTIONS

(1) Definition of “blighted structure” in context of state or local law.

Response:

The County of Kern utilizes the definition of “public nuisance” when defining “blighted structure”:

"Public nuisance" means any use or condition of property or portion thereof, including buildings, structures, mobile homes, commercial coaches, recreational vehicles and motor vehicles located thereon, which is unsafe, injurious to the health, safety, and welfare of the public or the occupants of the property, constitutes an attractive nuisance, attracts, harbors or provides a breeding place or insects or rodents, creates a fire hazard, is indecent or offensive to the senses, or which unlawfully obstructs the passage or use in the customary manner on a navigable lake, river, stream, canal or basin, park, square, street, easement or highway, in the unincorporated area of the county. This definition is in addition to the definitions of "public nuisance" and "nuisance" found in applicable codes and regulations of the state.

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

Response:

Home Investment Partnerships (HOME) rent limits established in 24 CFR Part 92.252 for families at 50% of median income defines “affordable rents” for NSP rental housing activities.

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

Response:

Continued affordability will be enforced through deeds of trust and deed restriction agreements for the following affordability periods.

<u>Assistance Provided</u>	<u>Affordability Period</u>
< \$15,000	5 years
\$15,000 to \$40,000	10 years
> \$40,000	15 years

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

Response:

County of Kern Community and Economic Development Department Property Rehabilitation Standards are included beginning on page 41.

D. LOW INCOME TARGETING

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income: **\$26,900 (for a family of 4) per HUD Income Limits for 2008.**

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

Response:

The County proposes to obligate **\$4,000,000 (35.6%)** of its NSP funds to rental housing activities which will provide housing to persons and families whose incomes do not exceed 50% of AMI, including persons with “special needs”.

E. ACQUISITIONS & RELOCATION

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

If so, include:

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

Response:

The County does not propose to utilize NSP funds to demolish or convert low-and moderate income dwelling units.

F. PUBLIC COMMENT

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

Response:

In accordance with the County's Citizen Participation Plan, notification of the NSP Substantial Amendment was published in the Bakersfield Californian and in the Bakersfield News Observer on October 29, 2008, and in el Mexicalo newspaper on October 30, 2008. On October 29, 2008, the Action Plan Amendment was posted and available for review on the County of Kern Community and Economic Development Web Site at <http://www.kerncounty.com/cd/>. The Public Comment Period for the County of Kern's NSP Substantial Amendment began on October 30, 2008, and ended on November 15, 2008.

In a public hearing held by the County Board of Supervisors on November 18, 2008, the Board considered and approved the NSP Substantial Amendment. Please refer to Summary of Citizen Comments located on page 55 for comments received during the public comment period and at the public hearing.

Amendment to Substantial Amendment

The Amendment to the Substantial Amendment was published in the Bakersfield Californian and in the Bakersfield News Observer on Wednesday, August 26, 2009, and

in El Popular newspaper on Friday, August 28, 2009. On Tuesday, August 25, 2009, the Amendment was posted and available for review on the County of Kern Community and Economic Development Department web site at <http://www.kerncounty.com/cd/>. The Public Comment Period for the Amendment began on August 28, 2009, and ended on September 12, 2009.

A public hearing was held by the County Board of Supervisors on September 15, 2009; the Board considered and approved the Amendment to the NSP Substantial Amendment. No comments were received during the public comment period and at the public hearing.

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

Response: (Activities Listed Below)

(1) Activity Name:

Golden Empire Affordable Housing, Inc. (GEAH), (Rental Housing Activity).
Housing Authority of the County of Kern (HACK) Affordable Rental Financing -
NSP funds will be utilized in conjunction with other funding sources to finance the acquisition and/or rehabilitation of vacant, foreclosed single family and multi-family dwelling units to be rented (with option to purchase) to households who have incomes that do not exceed 50% of the Area Median Income (AMI). Units purchased shall be located within areas determined by the County to have the “greatest need,” based on low, moderate, middle income Census data and foreclosure/abandonment risk scores. Units will be purchased, leased, and managed by GEAH HACK.

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

NSP eligible use: Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon in order to sell, rent or redevelop such homes and properties.

CDBG eligible activity: 1) 24 CFR 570.201(a) Acquisition;
2) 24 CFR 570.202 (a)(2) Acquisition for Rehabilitation

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

LMMI Housing Activity to benefit low income persons. (Less than or equal to 50% of AMILMI).

(4) Projected Start Date: January 2009

(5) Projected End Date: June 2014

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information).

County of Kern Community and Economic Development Department
2700 "M" Street, Suite 250, Bakersfield, California 93301
Barry Jung, Director

(7) Location Description:

Designated "Areas of Greatest Need" within Plan Jurisdiction; see page 37 for list of eligible Block Groups.

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

For housing related activities, include:

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

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

Response:

This financing activity is designed to assist renters at or below 50% AMI by providing financing to the ~~GEAH Housing Authority of the County of Kern~~ for the purchase and/or rehabilitation of residential properties to be rented to eligible persons and families at rents that do not exceed the rents established in the County of Kern by the HOME Program.

Continued affordability for periods based on HOME Program requirements will be ensured by deeds of trust and deed restriction agreements. A purchase component whereby renters may purchase their single-family rental properties will be included. Properties will all be acquired at a minimum discount of 1% ~~±5%~~.

To help ensure rents will be as low as possible, financing assistance will be in the form of zero interest rate, deferred payment, shared equity loans with terms up to 30 years.

(9) Total Budget: (Include public and private components)

NSP funds:	\$3,000,000
Leveraged funds:	<u>3,665,000</u>
Total:	\$6,665,000

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

It is anticipated that 45 units will be purchased/rehabilitated for the benefit of persons and households that do not exceed 50 percent of AMI.

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

(1) Activity Name:

Countywide Rental Housing Financing - The County proposes to allocate \$1,000,000 or 8.9% of its NSP funds toward a Countywide Rental Housing Activity. NSP funds may be utilized by non-profit or for-profit developers to purchase and rehabilitate vacant, foreclosed homes (preferably duplexes, tri-plexes, four-plexes) that are located within areas of the County designated “Areas of Greatest Need,” rehabilitate the units, if necessary, and rent the units to qualified households who have annual incomes at or less than 50% AMI., including “special needs” populations. Although the Activity will be implemented by the County, NSP funds may be allocated to eligible non-profit and other agencies/organizations that demonstrate they have the experience and capacity to operate and manage rental housing for the intended beneficiaries in their response to a Notice of Funding Availability.

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

NSP eligible Use: Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon in order to sell, rent or redevelop such homes and properties.

CDBG eligible activity: 1) 24 CFR 570.201(a) Acquisition;
2) 24 CFR 570.202 (a)(2) Acquisition for Rehabilitation

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

LMMI Housing Activity to benefit low income persons (less than or equal to 50% AMI).

(4) Projected Start Date: January 2009

(5) Projected End Date: June 2014

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information).

County of Kern Community and Economic Development Department
2700 "M" Street, Suite 250, Bakersfield, California 93301
Barry Jung, Director

(7) Location Description:

Designated "Areas of Greatest Need" within Plan Jurisdiction; see page 37 for list of Block Groups.

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

For housing related activities, include:

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

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

Response:

For the acquisition and/or renovation of vacant, foreclosed residential properties that will then be rented to individuals and families that do not exceed 50% AMI, we will issue a Request for Proposals open to both nonprofit and governmental entities. Vendors must have demonstrated capacity to buy, renovate, and rent residential properties. Vendors must be able and willing to comply with community standards for both physical quality of the housing and resident selection and management practices. We will award up to \$1,000,000 in NSP funding to one or more vendors. Rents must remain "affordable" as defined under the HOME Program for a period not less than that required under the HOME Program based on the dollar amount of assistance provided. Compliance with affordability requirements will be enforced via deeds of trust and deed restriction agreements. All properties will be acquired for a minimum 1% ~~15%~~ discount from market price. Since this activity is targeted to those with very low incomes and those with "special needs," it is anticipated that assistance will be in the form of zero percent, deferred payment, ~~shared equity loans~~ with terms up to 30 years.

(9) Total Budget: (Include public and private components)

\$1,000,000

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

It is anticipated that six (6) or more units for persons or families at or below 50% of AMI will be acquired/renovated.

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

(1) Activity Name:

Countywide Homebuyer Assistance - The County proposes to utilize \$500,000 or 4.46% \$6,040,000 or 53.9% of its NSP allocation towards a Countywide Homebuyer Assistance Activity. Under this activity, NSP funds will be provided to qualified LMMI applicants, in the form of financial assistance toward the purchase of vacant, foreclosed single family homes. Financial assistance may consist of one or more of the following eligible costs: closing costs, pre-paid taxes and insurance, down payment assistance and rehabilitation, if required to bring the structure into compliance with County “livability standards.”

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

NSP eligible use: 1. Establish Financing Mechanisms for purchase of foreclosed upon homes (homeowner assistance);
2. Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon in order to sell, rent or redevelop such homes and properties;
3. Activity Delivery

CDBG eligible activity: 1. 24 CFR 570.201 (n) - Direct homeownership assistance;
2. 24 CFR 570.202 (a)(2) Acquisition for Rehabilitation (may include counseling for those seeking to take part in the activity);
3. As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206.

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

LMMI Housing Activity to benefit low, moderate, and middle-income persons.

(4) Projected Start Date: January 2009

(5) Projected End Date: June 2014

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

County of Kern Community and Economic Development Department
2700 "M" Street, Suite 250, Bakersfield, California 93301
Barry Jung, Director

(7) Location Description:

Countywide

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

For housing related activities, include:

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

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

Response:

The County proposes to utilize \$500,000 or 4.46% ~~\$6,040,247 or 53.9%~~ of its NSP allocation for Countywide Homebuyer Assistance. Under this activity, NSP funds will be provided to qualified LMMI applicants, in the form of financial assistance toward the purchase of real estate owned (REO), single family homes. Financial assistance may consist of zero interest deferred payment equity-sharing loans with terms up to 30 years for one or more of the following eligible costs: closing costs, pre-paid insurance and taxes, down payment assistance, and rehabilitation if required to bring the structure into compliance with County "livability standards."

To ensure that NSP funds are targeted more to Areas of Greatest Need, the activity will provide a greater amount of assistance to qualifying applicants who choose to purchase a foreclosed home in one of the Areas of Greatest Need. This greater amount of assistance may include, but is not limited to, NSP funds for closing costs and pre-paid costs.

Based on the recent County median home sales price of \$186,000, and given the NSP requirement that each purchase must be at a 1% ~~15%~~ discount of the current fair market value, it is estimated the median price for homes to be assisted with NSP funds may be approximately \$158,100.

A total of ~~10~~ 85 homebuyers may be assisted under this activity.

All properties to be financed with NSP funds must be purchased at a minimum discount of ~~1%~~ 15% from market price. HOME Affordability Periods will be applied to this assistance based on the total dollar amount of NSP assistance provided. The affordability period will be enforced by recorded deeds of trust and deed restriction agreements.

(9) Total Budget: (Include public and private components)

NSP funds:	\$ 6,040,247
NSP funds:	\$ 500,000
Private financing:	<u>18,120,000</u>
Total:	\$18,620,000

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

It is anticipated that financing will be provided to partially finance the purchase/rehabilitation of ~~10~~ 425 housing units purchased by persons and families at or below 120% of AMI. ~~with 25% or 31 of the units purchased by persons and families between 51-80 percent of AMI.~~

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

(1) Activity Name:

Housing Purchase and Rehab Activity for Single Family Dwellings. The County proposes to provide \$5,540,246 or 49.4% of its allocation to Non-Profit Agencies or private developers in the form of loans which may include zero interest deferred payment forgivable loans for the purchase and rehabilitation of vacant foreclosed single-family residential properties that are located within areas of the County designated "Areas of Greatest Need." The housing will be sold to qualified households with incomes that does not exceed 120% of AMI. It is projected that a total of 40 single family dwellings/rental units may be purchased/rehabilitated with NSP funds.

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

NSP eligible Use: Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon in order to sell, rent or redevelop such homes and properties.

CDBG eligible activity: 1) 24 CFR 570.201(a) Acquisition;
2) 24 CFR 570.202 (a)(2) Acquisition for Rehabilitation

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., $\leq 120\%$ of area median income).

LMMI Housing Activity to benefit low, moderate, and middle-income persons (less than or equal to 120% AMI).

(4) Projected Start Date: September 2009

(5) Projected End Date: June 2014

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information).

County of Kern Community and Economic Development Department
2700 “M” Street, Suite 250, Bakersfield, California 93301
Barry Jung, Director

(7) Location Description:

Designated “Areas of Greatest Need” within Plan Jurisdiction; see page 37 for list of Block Groups.

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

For housing related activities, include:

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

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

Response:

For the acquisition and/or renovation of vacant, foreclosed single-family residential properties that will then be sold to qualified households with incomes that do not exceed 120% AMI, we will issue a Request for Proposals open to both nonprofit and governmental entities. Vendors must have demonstrated capacity to buy, renovate, and resell properties. Vendors must be able and willing to comply with community standards for both physical quality of the housing and resident selection and management practices.

We will award up to \$5,540,246 in NSP funding to one or more vendors. Compliance with affordability requirements will be enforced via deeds of trust and deed restriction agreements. All properties will be acquired for a minimum 1% discount from market price. Since this activity is targeted to those with very low incomes and those with “special needs,” it is anticipated that assistance will be in the form of zero percent, deferred payment, with terms up to 30 years.

(9) Total Budget: (Include public and private components)

\$5,540,246

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

It is anticipated that forty (40) or more units for persons or families at or below 120% of AMI will be acquired/renovated.

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

(1) Activity Name:

Countywide Homebuyer Counseling Activity - NSP funds in the amount of \$50,000 (.45% the County’s NSP funds) are proposed to be allocated toward a County-wide Homebuyer Counseling Activity. This activity will provide HUD-approved counseling services to approved NSP-assisted homebuyers. A minimum of 8 hours of counseling will be required of each NSP-assisted homebuyer.

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

NSP eligible use: Counseling Services

CDBG eligible activity: 24 CFR 570.202 and 560.201(e)-eligible rehabilitation activities may include counseling for those seeking to take part in the activity

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

LMMI Housing Activity to benefit low, moderate, and middle-income persons (less than or equal to 120% of AMI)

(4) Projected Start Date: January 2009

(5) Projected End Date: June 2014

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

County of Kern Community and Economic Development Department
2700 "M" Street, Suite 250, Bakersfield, California 93301
Barry Jung, Director

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

Countywide

(8) Activity Description:

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

For housing related activities, include:

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

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

Response:

Homebuyer counseling meeting NSP requirements will be secured via a Request for Proposals process to be provided to homebuyers receiving NSP assistance.

(9) Total Budget: (Include public and private components)

\$50,000

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Approximately 125 homebuyers with incomes at or below 120 percent of AMI will be assisted.

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

(1) Activity Name:

NSP General Program Administration

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

NSP eligible use: Planning and Administrative Costs

CDBG eligible activity: 24 CFR 570.205 and 570.206 - Planning and Administrative Costs

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., \leq 120% of area median income).

Administration is exempt from meeting a national objective

(4) Projected Start Date: January 2009

(5) Projected End Date: June 2014

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

County of Kern Community and Economic Development Department
2700 "M" Street, Suite 250, Bakersfield, California 93301
Barry Jung, Director

(7) Location Description:

Countywide

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

For housing related activities, include:

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

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

Response:

Administration of the NSP Grant.

(9) Total Budget: (Include public and private components)

\$1,121,138 (10% of the NSP grant), plus 10% of Program Income

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Not appropriate for administration.