

NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
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Areas of Greatest Need

(a) Map Submission

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

(b) Data Sources Used to Determine Areas of Greatest Need

Describe the data sources used to determine the areas of greatest need.
Response: <ol style="list-style-type: none">1. HUD Foreclosure Need website.2. RealtyTrac collects and aggregates foreclosure data from more than 2,200 counties, covering more than 90 percent of U.S. households, appends the data with estimated property values, comparable sales, loan history, tax lien and bankruptcy records, trustee and lender information and property details and updates the entire database twice daily.3. Utah Division of Housing and Community Development's (DHCD) Analysis of Impediments to Fair Housing Choice, updated 2011. Fair housing surveys were completed July 14, 2010 through September 28, 2010 through DHCD's website. The survey responses represented public housing authorities, non-profit housing agencies, local government offices, citizens and tenants.4. Salt Lake County Consolidated Action Plan 2010.

(c) 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 Utah first determined that Salt Lake County was the county with the greatest need of stabilization. From there all of the areas in the county were reviewed to determine the best use of the funds. It was determined that leveraging funds and developing land that was purchased with NSP funds in the city of Midvale was the area of greatest needs. The property will stabilize a community that has been hard hit by the downturn in the housing market; will be sustainable, inclusive and integrated into the overall metropolitan fabric. This includes access to public transit, affordable housing, employment and nearby services. A tiered approach is not being utilized to determine the distribution of funding. The State of Utah is the only entity in Utah receiving an NSP allocation.

Article 2. Definitions and Descriptions

(a) Definitions

Term	Definition
Blighted Structure	<p>The area delineated by the recipient meets a definition of a slum, blighted, deteriorated or deteriorating area under State of local laws. Utah Code Annotated 1953, 17B-4-604, states that areas selected must be characterized by buildings or structures considered unsafe or unfit to occupy, or are conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime because of any three or more of the following factors, which the applicant must demonstrate to be the case:</p> <ul style="list-style-type: none"> a) Defective character of physical construction; b) High density of population and overcrowding; c) Inadequate ventilation, light, or spacing between buildings; d) Mixed character and shifting of uses, resulting in obsolescence, deterioration, or dilapidation; e) Economic deterioration or continued disuse; f) Lots of irregular shape or inadequate size for proper usefulness and development, or laying out of lots in disregard of the contours and other physical characteristics of the ground and surrounding conditions; g) Inadequate sanitation or public facilities which may include streets, open spaces, and utilities; h) Areas that are subject to being submerged by water; and existence of any hazardous or solid waster, defined as any substance defined, regulated, or listed as a hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant, or toxic substance, or identified as hazardous to human health or the environment under state or federal law or regulation.
Affordable Rents	Will follow the HOME rental rate guidelines found in 24 CFR 92.252 as adopted by NSP.

(b) Descriptions

Term	Definition
Long-Term Affordability	<p>Will be maintained for the NSP – funded projects in accordance with HOME regulation at 25 CFR Part 92.254(a)(5) which states, “to ensure affordability, the participating jurisdiction must impose either resale or recapture requirements, at its option.” Participating Jurisdiction (PJ’s) must choose one option or the other for each unit assisted. Accordingly, DHCD has chosen the recapture option based upon HUD HOMEfires Vol.5, November, 2003 which states:</p> <p style="padding-left: 40px;">The recapture option for HOME-assisted homebuyer units is described at 24 CFR 92.254 (a)(5)(ii). Under the recapture option, the PJ recovers all or a portion of the HOME assistance to the homebuyers, if the housing does not continue to be the principal residence of the qualified low-income family that purchased the unit for the duration of the period of affordability.</p>

	<p>A PJ may adopt any one of four options in designing its recapture provisions. First, a PJ can recapture the entire amount of the HOME investment from the homebuyer upon sale of the property during the period of affordability. A PJ can also elect to reduce the amount to be repaid on a pro-rata basis according to the time the homebuyer has owned and occupied the housing measured against the required affordability period. Another option is for the PJ and the homebuyer to share the net proceeds based upon the ratio of the HOME subsidy to the sum of the homebuyer’s investment plus the HOME subsidy. Finally, the PJ may allow the homebuyer to recover his or her entire investment before any of the HOME investment is repaid to the PJ from the remaining net proceeds. In addition to these recapture option, the PJ may adopt, modify or develop its own recapture provision that base the recapture amount on the net proceeds available from the sale rather the entire amount of the HOME investment. More guidance is provided on this subject in HOMEfires – Vol.5 no.2, June, 2003.)</p>
<p>Housing Rehabilitation Standards</p>	<p>The Division of Housing and Community Development will inspect all NSP – funded projects and access the adherence to rehabilitation stands using the same schedule and checklists as the HOME-funded programs. The HOME final rule (92.251(a)(1)) requires that every unit being rehabilitated with HOME funds meet one of the following rehabilitation standards: local housing code; or the articles on property or sanitary standards in one of three model codes (uniform Building Code (ICBO), the National Building Code (BOCA), or the Council of American Building Officials (CABO) one or two family coded; or the Minimum Property Standards (MPS) in 24 CFR 200.925 or 200.926. All gut rehabilitation or new construction of residential buildings up to three stories will be designed to meet the standard for Energy Star Qualified New Homes.</p>

Article 3. Low-Income Targeting

(a) Low-Income Set-Aside Amount

<p>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.</p>
<p>Response: Total low-income set-aside percentage (must be no less than 25 percent): 25.00% Total funds set aside for low-income individuals = \$1,250,000</p>

(b) Meeting Low-Income Target

<p>Provide a summary that describes the manner in which the low-income targeting goals will be met.</p>
<p>Response: The low-income targeting goals will be met through the development of property in the city of Midvale, UT. A proportionate number of units to the amount allocated for the low income households will be designated for households that qualify.</p>

Article 4. Acquisition and Relocation

(a) Demolition or Conversion of LMI Units

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

Question	Number of Units
The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.	N/A
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).	N/A
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	N/A

Article 5. Public Comment

(a) Citizen Participation Plan

Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment or abbreviated plan.
Response: The Public Notice was published in the Salt Lake Tribune The Deseret News. It was posted to the Department of Community and Culture's website on February 14, 2011. A public hearing will be held on February 28, 2011 at 9:00 am in conference room 501 at the Department of Community and Culture's office at 324 S State Street, Salt Lake City, UT 84111

(b) Summary of Public Comments Received.

A summary of public comments will be made available after the public hearing on February 28, 2011

Article 6. NSP Information by Activity

Activity Number 1		
Activity Name	Low Income and Affordable Housing Development	
Uses	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 checked="" type="checkbox"/> Eligible Use E: Redevelopment		
CDBG Activity or Activities	Correlated Eligible Activities from the CDBG Entitlement Regulations – 24 CFR 570.201 (A) Acquisition, (b) Disposition, (n) direct Homeownership Assistance.	
National Objective	This project will not include beneficiaries making more than 120% of the area's median income. \$1,250,000 will be used to benefit beneficiaries making =< 50% of the area's median income. This activity will be added as a specific objective in Table 2-c to The State of Utah's 2011 Consolidated Plan Update and Action Plan.	
Activity Description	<ul style="list-style-type: none"> • Purchase foreclosed property and/or develop land banked property purchased with NSP funds for LMMI housing. The property will be developed using the NSP recommended energy efficient and environmentally-friendly green elements. • The units will provide rental housing. • This project will provide housing for homeless individuals and/or affordable work force housing for income qualified households. • Affordability will be maintained for the NSP3 funded projects in accordance with HOME regulation at 24 CFR part 92.254(a)(5). • The developer that is used will certify and report on Section 3 hiring and to the maximum extent feasible will provide for the hiring of employees that reside in the vicinity of the project or attempt to contract with small businesses that are owned and operated by persons residing in the vicinity of the project. • After a thorough review the NSP3 requirements, needs analysis and the amount of rental housing for affordable housing available in the target area, a preference for affordable rental housing was determined to be the best use of the NSP3 funds for Utah. 	
Location Description	Midvale, UT (see attached map)	
Budget	Source of Funding	Dollar Amount
	NSP3	\$4,500,000
	Olene Walker Housing Fund Loan	\$6,398,200
	Private Activity Bond	\$13,932,000
	Low Income Tax Credits	\$2,889,800
	NSP1	\$3,000,000
Total Budget for Activity		\$30,720,000
Performance Measures	Develop 100 units for less/equal to 50% AMI; Develop 99 units for up to 120% AMI.	
Projected Start Date	June 1, 2011	
Projected End Date	June 1, 2014	

Responsible Organization	Name	State of Utah
	Location	324 S State Street #500, Salt Lake City, UT 84111
	Administrator Contact Info	Keith Heaton e-mail: kheaton@utah.gov Phone: 801-538-5732

Article 7. 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

Division Director, HCD

Title

