

THE NSP SUBSTANTIAL AMENDMENT

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The City of Henderson submitted and the U.S. Department of Housing and Urban Development (HUD) subsequently approved the Annual Action Plan for 2008-2009. The Annual Action Plan details the City's utilization of Community Development Block Grant (CDBG) and HOME Program funds allocated by HUD to the City for qualified projects detailed in the Plan.

The annual Action Plan is an element of the Consolidated Plan process. The 2005-2010 Consolidated Plan adopted by the City of Henderson is a Strategic Plan providing needs-gaps analysis and projecting utilization of HUD CDBG and HOME funding to address prioritized needs. The Annual Plan is a targeted plan allocating funding to specific activities which will assist the City in achieving the goals identified in the Consolidated Plan.

This document is a Substantial Amendment to the Action Plan for 2008-2009. This amendment outlines the expected utilization of funding allocations authorized by the Housing and Economic Recovery Act of 2008 and referred to as the Neighborhood Stabilization Program (NSP). HUD allocated \$3,205,044 to the City of Henderson and the State of Nevada, Housing Division, has directed an additional \$850,819 to the City from the State's NSP allocation.

The purpose of the NSP is to address negative ramifications of the housing crisis and assist in the redevelopment of abandoned and foreclosed homes. HUD has established application procedures and statutory program requirements governing the City's accessing and utilizing the available funding. This document will amend our Annual Action Plan and is essentially an application for the NSP funding.

A. AREAS OF GREATEST NEED

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

The City of Henderson has been one of the fastest growing Cities in the nation over the past decade. The City experienced rapid land and housing price appreciation associated with this rapid growth. Within the past two years the so-called “housing bubble” has burst and statistics indicate Southern Nevada as a whole has been one of the most negatively impacted areas in the country. To some extent the City has experienced the same toxic combination of predatory and subprime lending practices coupled with low teaser rates on Adjustable Rate Mortgages (ARM) which have received recent national attention. These problems were magnified in Southern Nevada due to extreme real estate investor speculation associated with the areas’ rapid growth. The resulting loss of owner equity has resulted in several neighborhoods within the City at risk of deterioration.

While the Consolidated Planning process could not anticipate the current housing crisis, housing preservation for all groups including low & middle income families and especially homeowners are identified as high-priorities for the City in the Consolidated Plan. At the time the Plan was developed, investor speculation was driving up the cost of land & housing and pricing many households out of the market. Strategies for Homebuyer Assistance and the rehabilitation/repair of existing housing stock were key elements of the Consolidated Plan. These components of the Consolidated Plan remain priorities but the problems have shifted to deteriorating neighborhoods due to abandoned & foreclosed housing.

The City of Henderson has assembled data mapping high-cost mortgage loans (subprime) according to local census tract boundaries. This data has been compared to the U.S. Department of Housing & Urban Development (HUD) rankings of “high-risk” census tracts. It is difficult to predict the areas within the City most likely to face a significant rise in foreclosure; therefore the City is utilizing HUD’s “Estimated foreclosure abandonment risk score” to identify areas that are at high risk for future foreclosures and abandonment, with a score of 10 representing a very high risk.

Utilizing the number of existing foreclosed homes, the number of high-cost loans, and the HUD risk score, the City of Henderson has identified the following census tracts as the geographic areas of greatest need in our jurisdiction:

<u>Tract</u>	<u>#Foreclosed</u>	<u>#high-cost loans</u>	<u>HUD risk score</u>
52.00	79	245	10
53.36	95	273	9
54.12	168	548	9
54.22	172	522	9
54.23	93	273	9
51.03	60	160	9
51.04	93	272	9
51.06	48	132	9
51.07	108	299	8

All NSP funding utilized by the City of Henderson will be used in these identified geographic areas of greatest need.

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:

Utilizing the data provided in Section A above, the City identified the nine census tracts listed above as the areas of greatest need within our jurisdiction. These areas represent;

- a) the areas with the greatest percentage of home foreclosures**
- b) the areas with the highest percentage of homes financed by a high-cost (subprime) loans, and**
- c) the areas likely to face a significant rise in the rate of foreclosures.**

The distribution and uses of the NSP funds will meet the NSP requirement that funds be distributed to the areas of greatest need by restricting utilization of NSP funds to the nine census tracts within the identified areas of priority need as described in section A above.

The City of Henderson will seek partnerships with community based organizations as the preferred program delivery method. The City of Henderson will provide NSP funds to one or more nonprofit community based organizations that have the experience and capacity to assist the City in delivering the NSP funding to the described areas of greatest need. Partnerships will be established through a Request for Qualification (RFQ) or a Request for Proposal system (RFP). The RFQ or RFP and subsequent Agreements concerning the use of NSP funds will require utilization of funding within the areas of greatest need, as identified in section A.

The City has identified the following tools to be used in addressing the three categories in the NSP statute within the identified areas of greatest need. The City will institute a Homebuyer Assistance Program (HAP) to assist households with incomes which do not exceed 120% of Area Median Income (AMI). The City will also provide funds to one or more nonprofit organizations through an RFQ or RFP process to purchase and rehabilitate homes and then sell to households with incomes which do not exceed 120% AMI. The City will provide funds through an RFQ or RFP process to one or more nonprofits to provide the required educational components in utilization of the NSP funds in purchasing properties.

All of the funds made available by the NSP shall be utilized assisting individuals and families whose income does not exceed 120 percent of area median income (AMI). As of February 2008 the AMI for the City of Henderson is \$63,900 and this figure is

adjusted annually by HUD. HUD has distributed tables indicating the AMI limits to be utilized for varying household sizes.

C. DEFINITIONS AND DESCRIPTIONS

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

Response:

A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare. For purposes of the NSP the City of Henderson does not have “blighted” structures.

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

Response:

The City of Henderson will use the lower of HUD’s published Fair Market Rents (FMR) or the most current Local Housing-Market Conditions rents as published by the UNVL Center for Business and Economic Research to establish “affordable rents” for the NSP program. The rents paid by participants will be limited to 30% of their income.

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

Response:

The City of Henderson will ensure, to the maximum extent practicable and for the longest feasible term, that the sale, rental, or development of abandoned and foreclosed-upon homes and residential properties assisted with NSP funds will remain affordable to individuals and families whose incomes do not exceed 120 percent of area median income. The City will adopt the HOME Program definitions and standards for affordability periods. These standards will conform to HOME program standards for homeownership housing found in 24 CFR 92.254 and for rentals found in 24 CFR 92.252 (a), (c), (e), and (f). To ensure affordability of rental units the City will monitor each nonprofit utilizing NSP funds on a yearly basis to verify compliance.

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

Response:

The housing rehabilitation standards that will apply to NSP assisted rehabilitation activities will require that all buildings be brought up to local code, that required building permits be obtained and that appropriate inspections be performed. The City of Henderson Affordable Housing Program has existing established rehabilitation standards for use in existing rehabilitation activities. These locally

developed standards meet the requirements of the existing HOME program and will be applied to NSP assisted activities.

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: **\$_1,111,261_**.

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 City of Henderson will use at least 25% of available NSP funds for the purchase and redevelopment of abandoned or foreclosed homes or residential properties for housing for individuals or families with incomes which do not exceed 50 percent of area median income. We expect this allocation of funding will primarily be utilized in the Purchase and Rehabilitation as Rental activity as described in section G.2 of this Plan, although some households may be qualified under the Purchase and Rehabilitation or Housing Assistance Program activities as well.

E. ACQUISITIONS & RELOCATION

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

Response:

The City of Henderson does not intend to demolish or convert any dwelling units utilizing NSP funds.

F. PUBLIC COMMENT

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

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

Response:

The Draft NSP Substantial Amendment document was made available for public review and comment in written form at City Hall and two public libraries, and electronically posted on the City's website at http://www.cityofhenderson.com/neighborhood_services/index.php.

Notice of the public review & comment period was posted in both English and Spanish in the local *Review Journal* newspaper on November 8, 2008. The comment period was open from November 8 through November 24, 2008. A public hearing to receive additional comments from the public was held during the City Council meeting on November 18, 2008, during which City Council approved submission of this Substantial Amendment.

The City received two comments during the public comment period and both concerned the Professional Services activity proposing Housing Counseling. The comments are as follows:

A) Participation with any agency or community partner to provide homebuyer education programs through the Neighborhood Stabilization Program should ensure the agency or community partner is:

1) HUD approved as a comprehensive housing counseling agency, preferably as a Local Housing Counseling Agency, as criteria and oversight is much stricter than for organizations approved through a national HUD intermediary.

2) Ensure any nonprofit agency or community partner providing service of any type through the Neighborhood Stabilization Program be financially solvent, as all services will be provided on a reimbursable basis. An agency or community partner not in the position to provide services from reserves while awaiting reimbursement may jeopardize the Neighborhood Stabilization Program. This is easily accomplished through accessing a nonprofit agency or community partner's 990 tax return (a public document) or by requesting audited financials, which all nonprofit or community partners should have to ensure adequate financial oversight.

B) To ensure that there is quality delivery of counseling and education services to the residents of Clark County by unbiased neutral housing counselors and educators, all such personnel shall obtain and maintain a Certified Housing Counselor designation, with such certification obtained by an accredited independent third party.

G. 1. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

(1) Activity Name: Homebuyer Assistance Program (HAP)

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

This activity will establish mechanisms for purchase and rehabilitation of foreclosed-upon homes and residential properties (HERA 2301(c)(3)(A)), to include but not be limited to down payment assistance, closing costs, in the form of deferred payment loans, low interest loans, or equity share loans. HAP is an eligible activity under existing regulations under 24 CFR 570.201 (n) as Direct Homeownership Assistance.

(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).

This activity complies with National Objective requirements as it provides or improves permanent residential structures that will be occupied by a household whose income does not exceed 120 percent of area median income (LMMH). The specific citation for this objective is 24 CFR 570.208(a) (2).

(4) 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.

This activity will allow qualified home buyers with incomes which do not exceed 120% of Area Median Income (AMI) to purchase an abandoned or foreclosed upon home, and rehabilitate the home if necessary, provided the home is located in the areas of greatest need described in Section A of this Amendment. Since these are abandoned or foreclosed upon homes in the areas of greatest need, this activity will serve to stabilize the neighborhood. It is not primarily intended that this activity will be used to address those income qualified persons below 50% AMI; however there may be a small percentage of potential buyers who fall within this income category.

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

Although specific locations are not known at this time all properties assisted with NSP funds will be located within the geographic areas of greatest need identified in section A of this Amendment.

(6) 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).

50 households with incomes at or below 120% AMI will be assisted in purchasing homes.

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

\$1,403,487

Federal – 1,183,279

State – 220,208

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

**City of Henderson, Neighborhood Services Department, 240 Water St., PO Box 95050, Henderson, NV 89009-5050
Douglas F. Kuntz, 702.267.2018**

(9) Projected Start Date: March 1, 2009 or receipt of NSP Grant Award

(10) Projected End Date: August 31, 2010 or eighteen months after receipt of NSP Funds.

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate **Minimum 5%, aggregate 15%**

For financing activities, include:

- range of interest rates **N/A**

For housing related activities, include:

- duration or term of assistance; **Until transfer of property**
- tenure of beneficiaries--rental or homeownership; **Homeownership**
- a description of how the design of the activity will ensure continued affordability

The City of Henderson will ensure, to the maximum extent practicable and for the longest feasible term, that the sale, rental, or development of abandoned and foreclosed-upon homes and residential properties assisted with NSP funds will remain affordable to individuals and families whose incomes do not exceed 120 percent of area median income. Provisions in deeds of trust will ensure that upon the future sale of an NSP assisted home remaining funds will be reallocated to other NSP eligible activities. The City will adopt the HOME Program definitions and standards for affordability periods. These standards will conform to HOME program standards for homeownership housing found in 24 CFR 92.254 and for rentals found in 24 CFR 92.252 (a), (c), (e), and (f). To ensure affordability of rental units the City will monitor each nonprofit utilizing NSP funds on a yearly basis to verify compliance.

G. 2. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

(1) Activity Name: Purchase and Rehabilitation

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

Through this activity the City of Henderson will partner with nonprofit community based organizations to 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. The activity will include but not be limited to the purchase & rehabilitation of properties and then sale, or lease with intent to purchase, to qualifying buyers at or below 120% AMI, provided the home is located in the areas of greatest need described in Section A of this Amendment.

This is an eligible activity under existing regulations under 24 CFR 570.201 (a) Acquisition, (b) Disposition, and (n) Direct Homeownership Assistance as well as 570.202 eligible rehabilitation and preservation activities.

(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).

This activity complies with National Objective requirements as it provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120 percent of area median income (AMI). The specific citation for this objective is 24 CFR 570.208(a) (2).

(4) 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.

This activity will allow the City of Henderson to provide funding to qualified community based nonprofits to purchase and rehabilitate homes. The nonprofit would be selected as a result of an RFQ or RFP process. The nonprofit can sell acquired homes directly to qualified homebuyers or lease with intent to purchase. NSP funds will be restricted to use in identified priority “greatest need” census tracts as identified in Section A. Since these are abandoned or foreclosed upon homes in the areas of greatest need, this activity will serve to stabilize the neighborhood. It is not primarily intended that this program will be used to address income-qualified households below 50% AMI; however there may be a small percentage of households assisted who do fall within this category.

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

Although specific locations are not known at this time all properties assisted with NSP funds will be located within the geographic areas of greatest need identified in section A of this Amendment.

(6) 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).

7 formerly abandoned or foreclosed upon homes will be purchased and rehabilitated (if necessary) and then sold or leased with intent to purchase to qualified households with incomes which do not exceed 120% AMI.

(7) Total Budget: (Include public and private components)
\$1,000,000
Federal - \$800,000
State - \$200,000

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

**City of Henderson, Neighborhood Services Department, 240 Water St., PO Box 95050, Henderson, NV 89009-5050
Douglas F. Kuntz, 702.267.2018**

(9) Projected Start Date: March 1, 2009 or receipt of NSP Grant Award

(10) Projected End Date: August 31, 2010 or eighteen months after receipt of NSP Funds.

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate **Minimum 5%, aggregate 15%**

For financing activities, include:

- range of interest rates **N/A**

For housing related activities, include:

- duration or term of assistance; **Until transfer of property**
- tenure of beneficiaries--rental or homeownership; **Homeownership, lease to purchase**
- a description of how the design of the activity will ensure continued affordability

The City of Henderson will ensure, to the maximum extent practicable and for the longest feasible term, that the sale, rental, or development of abandoned and foreclosed-upon homes and residential properties assisted with NSP funds will remain affordable to individuals and families whose incomes do not exceed 120 percent of area median income. Provisions in deeds of trust will ensure that upon the future sale of an NSP assisted home remaining funds will be reallocated to other NSP eligible activities. The City will adopt the HOME Program definitions and standards for affordability periods. These standards will conform to HOME program standards for homeownership housing found in 24 CFR 92.254 and for rentals found in 24 CFR 92.252 (a), (c), (e), and (f). To ensure affordability of rental units the City will monitor each nonprofit utilizing NSP funds on a yearly basis to verify compliance.

G. 3. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

(1) Activity Name: Purchase and Rehabilitation as Rental Property

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

This activity will 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 (HERA 2301 (c)(3)(B)). The activity will include but not be limited to assisting one or more nonprofit organizations to purchase & rehabilitate abandoned or foreclosed homes and then rent the properties to households with incomes at or below 50% of area median income (AMI). This is an eligible Acquisition activity under existing regulations 24 CFR 570.201(a) and 570.202 (rehab& preservation), and may include Direct Homeownership assistance (as modified) under 570.201(n).

(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).

This activity complies with National Objective requirements as it provides or improves permanent residential structures that will be occupied by a household

whose income is at or below 120 percent of area median income (AMI). The specific citation for this national objective is 24 CFR 570.208 (a) (2).

(4) 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.

This activity will allow the City of Henderson to provide funding to qualified community based nonprofits to purchase and rehabilitate homes that have been abandoned or foreclosed upon. These houses will then be owned & operated by the nonprofit and rented to households whose incomes do not exceed 50 percent of the Area Median Income (AMI) thereby stabilizing the neighborhood. Not less than 25% of the NSP funding available to the City will be allocated to this activity. The community based nonprofit will be selected as a result of an RFQ or RFP process. Homes acquired must be located within the areas of greatest need as identified in section A of this Amendment. This activity will, thereby stabilize a neighborhood in one of the areas of greatest need identified in Section A of this Amendment. The nonprofit will maintain the home as a rental unit restricting tenants to households that have incomes which do not exceed 50% of area median income (AMI). It is intended that this will be the primary NSP activity benefiting households below 50% AMI.

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

Although specific locations are not known at this time all properties assisted with NSP funds will be located within the geographic areas of greatest need identified in section A of this Amendment.

(6) 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).

5 abandoned or foreclosed upon houses will be acquired, rehabilitated (minor) if necessary, and rented to households that are below 50% AMI.

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

\$1,111,261

Federal - \$801,261

State - \$310,000

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

**City of Henderson, Neighborhood Services Department, 240 Water St., PO Box 95050, Henderson, NV 89009-5050
Douglas F. Kuntz, 702.267.2018**

(9) **Projected Start Date:** March 1, 2009 or receipt of NSP Grant Award

(10) **Projected End Date:** August 31, 2010 or eighteen months after receipt of NSP Funds.

(11) **Specific Activity Requirements:**

For acquisition activities, include:

- discount rate **Minimum 5%, aggregate 15%**

For financing activities, include:

- range of interest rates **N/A**

For housing related activities, include:

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

The City of Henderson will ensure, to the maximum extent practicable and for the longest feasible term, that the sale, rental, or development of abandoned and foreclosed-upon homes and residential properties assisted with NSP funds will remain affordable to individuals and families whose incomes do not exceed 50 percent of area median income. Provisions in deeds of trust will ensure that upon the future sale of an NSP assisted home remaining funds will be reallocated to other NSP eligible activities. The City will adopt the HOME Program definitions and standards for affordability periods. These standards will conform to HOME program standards for homeownership housing found in 24 CFR 92.254 and for rentals found in 24 CFR 92.252 (a), (c), (e), and (f). To ensure affordability of rental units the City will monitor each nonprofit utilizing NSP funds on a yearly basis to verify compliance.

G. 4. *NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)*

(1) **Activity Name:** Professional Services

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

This activity will allow homebuyer counseling associated with future purchases and rehabilitation of homes and residential properties that have been abandoned or foreclosed upon, to provide necessary education associated with the purchase, rental or redevelopment of such homes and properties. The activity will also allow the City to select a Real Estate Company, Title Company, Appraisal Firm, Contractor or any necessary discipline associated with purchase and rehabilitation of homes. The activity will include providing funding to one or more nonprofit organizations and other disciplines as mentioned to provide needed services to individuals and

families receiving NSP assistance. All providers will be selected through an RFQ or RFP process. This activity may include education to households below 50% AMI although it is not expected these households will comprise a significant percentage of the total served. This is an eligible activity under existing regulations under 24 CFR 570.201 (e) Public Services and potentially under 24CFR 570.202 eligible rehabilitation and preservation activities.

(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).

This activity complies with National Objective requirements as it provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120 percent of area median income (AMI). The specific citation for this national objective is 24 CFR 570.208 (a) (2).

(4) 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.

This activity will allow the City of Henderson to provide funding to qualified community based nonprofits to provide the education necessary for participants in NSP activities to be successful. As the participants will be residing in abandoned or foreclosed upon homes located in the areas of greatest need identified in Section A of this Amendment, their participation in the educational components of this activity will serve to stabilize the neighborhood of greatest needs.

The City of Henderson anticipates the share of funds allocated to this activity will primarily be utilized for homeownership participants. The households receiving this housing counseling will only include participants purchasing homes that are being assisted with NSP funds. These homeowners will receive at least eight hours of counseling. It is anticipated that minimal funds may assist those households at or below 50 percent AMI.

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

Although specific locations are not known at this time all properties assisted with NSP funds will be located within the geographic areas of greatest need identified in section A of this Amendment.

(6) 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).

50 Households will complete education classes and subsequently reside in previously abandoned or foreclosed upon homes in the areas of greatest need.

(7) **Total Budget:** (Include public and private components)
\$150,000
Federal - \$100,000
State - \$50,000

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

City of Henderson, Neighborhood Services Department, 240 Water St., PO Box 95050, Henderson, NV 89009-5050
Douglas F. Kuntz, 702.267.2018

(9) **Projected Start Date:** **March 1, 2009 or receipt of NSP Grant Award**

(10) **Projected End Date:** **August 31, 2010 or eighteen months after receipt of NSP Funds.**

(11) **Specific Activity Requirements:**

For acquisition activities, include:

- discount rate **N/A**

For financing activities, include:

- range of interest rates **N/A**

For housing related activities, include:

- duration or term of assistance; **One Year**
- tenure of beneficiaries--rental or homeownership; **N/A**
- a description of how the design of the activity will ensure continued affordability.
N/A

G. 5. *NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)*

(1) **Activity Name:** **Administration**

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

This activity will allow the City of Henderson to provide planning and general administration support for the NSP program. This is an eligible activity under 24 CFR 570.205 and 206(a) which permit allocations for general administration and planning activities. The City may also incur pre-award costs necessary to develop the application and undertake other actions necessary to receive the NSP funds, in compliance with 24 CFR 570.200(h).

(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).

This activity complies with National Objective requirements as it provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120 percent of area median income (AMI). The specific citation for this objective is 24 CFR 570.208(a) (2).

4) 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.

The activity will allow the City of Henderson to provide planning and general administrative support for the NSP program.

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

240 Water St., Henderson, NV 89015

(6) 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).

N/A

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

\$391,115

Federal – \$320,504

State - \$70,611

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

**City of Henderson, Neighborhood Services Department, 240 Water St., PO Box 95050, Henderson, NV 89009-5050
Douglas F. Kuntz, 702.267.2018**

(9) Projected Start Date: March 1, 2009 or receipt of NSP Grant Award

(10) Projected End Date: August 31, 2010 or eighteen months after receipt of NSP Funds.

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate N/A

For financing activities, include:

- range of interest rates N/A

For housing related activities, include:

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

CERTIFICATIONS

(1) **Affirmatively furthering fair housing.** The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

(2) **Anti-lobbying.** The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(3) **Authority of Jurisdiction.** The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.

(4) **Consistency with Plan.** The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.

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

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

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

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

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

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

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

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

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

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

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

Skeet Fitzgerald

Date

Manager of Neighborhood Services
Title