



City of Bradenton

Proposed 2008-09 Neighborhood Stabilization Program Plan *Revised as of 08-20-2009*

Public Comment Period
March 15, 2009 to March 31, 2009

City of Bradenton
Attn: Jeana Winterbottom – NSP Comments
101 Old Main Street
Bradenton, Florida 34205
jeana.winterbottom@cityofbradenton.com

Application Deadline to Department of Community Affairs
April 6, 2009

Overview

The Neighborhood Stabilization Program (NSP) was created to provide emergency assistance to the state and local governments to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight with the Bradenton community. The basic objectives of the program are (1) to stabilize the neighborhoods by acquiring and rehabilitating abandoned or foreclosed homes (2) to create jobs by utilizing local, qualified contractors and supply vendors to rehabilitate acquired homes and (3) to provide economic stimulus by placing qualified homeowners into rehabilitated homes putting the properties back on the tax rolls to benefit the local jurisdiction.

\$541,000,000 of funds was allocated to Florida. \$91,000,000 was allocated to the State of Florida to benefit 26 local governments with the Department of Community Affairs (DCA) oversight and \$450,000,000 was provided as direct assistance to 48 local governments with the Department of Housing & Urban Development oversight. The City of Bradenton is receiving NSP funds through the state allocation and is required to comply with HUD requirements as well as DCA stipulations.

Eligible uses of NSP funds are: (1) Housing Acquisition/Rehabilitation of home for sale to individuals earnings at or below 50% area median income and 120% area median income (2) Housing Finance (3) Establish Land Banks (4) Housing Acquisition/Rehabilitation of home for lease to individuals earnings at or below 50% area median income and 120% area median income (5) Demolition and Clearance with Housing Redevelopment.

Per DCA requirements, Bradenton must use its \$601,190 in NSP Low Income Set-aside funds to provide rental housing assistance to individuals or families having incomes at or below 50% area median incomes. No greater than 6.8% or \$175,186 of NSP funds can be used for program administration. The target household incomes are as follows:

Household Size	1	2	3	4	5	6	7	8
50% AMI	\$20,850	\$23,850	\$26,800	\$29,800	\$32,200	\$34,550	\$36,950	\$39,350
120% AMI	\$50,040	\$57,240	\$64,320	\$71,520	\$77,280	\$82,920	\$88,680	\$94,440

City of Bradenton 2008-09 Proposal Summary

Housing acquisition/rehabilitation of home for sale to individuals earnings at or below 120% area median income	\$1,000,000
Housing finance – down-payment assistance	\$ 299,891
Program administration	\$ 175,186
Housing acquisition/rehabilitation of home for lease to individuals earnings at or below 50% area median income	<u>\$1,101,190</u>
TOTAL	\$2,576,267

**STATE OF FLORIDA
NEIGHBORHOOD STABILIZATION PROGRAM**

APPLICATION

DUE DATE APRIL 6, 2009

NAME OF APPLICANT CITY OF BRADENTON

FLORIDA DEPARTMENT OF COMMUNITY AFFAIRS

CDBG NEIGHBORHOOD STABILIZATION PROGRAM

**2555 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-2100**

850/487-3644

FAX 850/922-5609

I. APPLICANT INFORMATION

Applicant CITY OF BRADENTON		Jurisdiction(s) to Be Served CITY OF BRADENTON		
Local Contact THOMAS COOKINGHAMN		Title ASSISTANT PLANNING & COMMUNITY DEVELOPMENT DIRECTOR		
Phone Number 941-932-9404		FAX 941-932-9534		
Mailing Address 101 OLD MAIN STREET		City BRADENTON	Zip Code 34205	
E-mail Address THOMAS.COOKINGHAM@CITYOFBRADENTON.COM				
Chief Elected Official WAYNE H. POSTON		Title MAYOR		
Chief Elected Official's Address (if different)				
APPLICATION PREPARER INFORMATION				
Agency or Firm CITY OF BRADENTON				
Address 101 OLD MAIN STREET		Phone Number 941-932-9499		
Contact JEANA WINTERBOTTOM		Title GRANTS ADMINISTRATOR		
E-Mail Address JEANA.WINTERBOTTOM@CITYOFBRADENTON.COM				
OTHER INFORMATION				
Are the jurisdictions to be served covered by the National Flood Insurance Program?			Yes x	No
Will you be working with a HUD direct funded grantee?			Yes	No x
U.S. Congressional District 13	Florida Senate District(s) 18, 21, 23	Florida House District(s) 67, 68		
HISTORIC PRESERVATION - Applicants should consider the questions listed below as units are selected for purchase, rehabilitation, demolition and clearance. Contact the State Historic Preservation Office (SHPO) as soon as possible for guidance if there is a potential historic preservation issue.				
Will any activities result in direct physical changes to a structure older than 50 years, such as demolition, rehabilitation, restoration, remodeling, renovation, expansion, or relocation?			Yes	No x
Will any related activities result in direct physical changes to public improvements older than 50 years, such as stone curbs or brick streets?			Yes	No x
Will any related activities result in direct physical changes to a planned open space older than 50 years?			Yes	No x
Will any project activities occur within 100 feet of a structure, public improvement, or planned open space older than 50 years?			Yes	No x
Will any activities occur in a Historic District listed on the National Register?			Yes	No x
Properties that are listed, or eligible for listing, in the National Register of Historic Places must meet the specifications reflected in the <i>Secretary of the Interior's Standards or Rehabilitation Guidelines for Rehabilitating Historic Buildings</i> .				

II. NEIGHBORHOOD STABILIZATION PLAN NARRATIVE DESCRIPTION

Applicants should review the Federal Register Notice dated October 6, 2008 and the State's Substantial Amendment to the 2008 CDBG Action Plan before completing the Application. The Application Instructions, Emergency Rule and NSP Policy Guide also provide relevant information on NSP strategies and related requirements. In the space below, provide an overall narrative description of your plan to utilize NSP funds to address abandoned and foreclosed properties in areas of greatest need. (Use additional pages if necessary.) This description should correspond to Strategies #1-5 on pages 4-14.

Once you complete the narrative description, provide the requested information on pages 4-14 for each NSP Strategy that you intend to carry out. This information should correspond to the budget information requested on the Attachment A for each NSP strategy and must be updated when changes are made.

THE CITY OF BRADENTON PROPOSES TO ACQUIRE AND REHABILITATE SIX PROPERTIES LOCATED WITHIN THE CITY LIMITS IN ZIP CODE AREAS 34205, 34208, 34209. DOWNPAYMENT ASSISTANCE IS PROPOSED TO ASSIST IN HOMEOWNERSHIP FOR THOSE INDIVIDUALS AT OR BELOW 120% AREA MEDIAN INCOME. SIX UNITS OF RENTAL HOUSING IS PROPOSED WITH THE CITY SELECTING THE SITES TO BE ACQUIRED AND REHABILITATED AND THEN DEEDING THE COMPLETED PROJECT TO A NON-PROFIT WHO WILL UTILIZE THE PROPERTY SERVING INDIVIDUALS AT OR BELOW 50% AM. ADMINISTRATION FUNDS WILL BE USED FOR LEGAL FEES, REALTOR COSTS, MARKETING AND SALE OF PROPERTY, RENTAL PROPERTY MANAGEMENT, AND FINANCIAL MANAGEMENT.

THE CITY OF BRADENTON'S CODE ENFORCEMENT DIVISION MONITORS THE IMPACT AND NUMBER OF FORECLOSED HOMES THROUGH ITS DAILY CODE ENFORCEMENT ACTIVITIES. THE DIVISION HAS PERFORMED A WINDSHIELD ASSESSMENT OF FORECLOSED HOMES WITHIN THE CITY OF BRADENTON LIMITS AND HAS CONDUCTED AN INITIAL RECORDS SEARCH TO DETERMINE PROPERTY OWNERSHIP AND DISPOSITION OF THE PROPERTY. PROPERTIES WILL BE ACQUIRED AND REHABILITATED BASED UPON THE COST TO REHABILITATE THE UNIT, FUTURE MARKETABILITY OF PROPERTY, EXISTING LEVEL OF NEIGHBORHOOD STABILITY AND BLIGHT AND OVERALL IMPACT ON SURROUNDING AREA.

THE CITY OF BRADENTON UTILIZED A NUMBER OF DATA SOURCES TO IDENTIFY THE NSP "TARGET AREA" AND THE UNITS WITHIN THE "TARGET AREA". THE "TARGET AREA" WAS DEFINED USING A SERIES OF GRAPHICS GENERATED IN THE CITY'S DATA INVENTORY AND ANALYSIS (2008) FOR THE HOUSING ELEMENT AND HOUSING, HUD DATA SETS (2008) AND DATA FROM THE CITY'S CODE ENFORCEMENT DIVISION. THE INITIAL ANALYSIS ENTAILED THE EVALUATION OF EXISTING HOUSING TYPES, PERCENTAGE OF VACANT HOUSING UNITS, PERCENTAGE OF OWNER OCCUPIED UNITS, AND AGE OF HOUSING STOCK. FROM THIS DATA THE CITY WAS ABLE TO GENERALLY DEFINE AN AREA SUSCEPTIBLE TO FORECLOSURE. BY LAYERING THE SUBSEQUENT HUD DATA (HIGH COST LOANS [%], FORECLOSURE RATE [%] AND 90-DAY VACANCY RATE [%], MAPS ATTACHED. THE CITY IDENTIFIED (BY CENSUS TRACT) AREAS WITH THE GREATEST DANGER OF WIDESPREAD ABANDONMENT. IT IS ALSO REASONABLE TO CONCLUDE THAT WIDESPREAD ABANDONMENT LEADS TO BLIGHT AND POTENTIAL INCREASED CRIME ACTIVITY IN THE AFFECTED NEIGHBORHOODS. WE THEN MATCHED THE DATA WITH THE DATA CODE ENFORCEMENT COLLECTED DEALING WITH PROPERTIES WHICH HAVE FALLEN INTO CODE VIOLATION. CODE ENFORCEMENT CONDUCTED A WINDSHIELD INSPECTION OF EACH OF THE IDENTIFIED PROPERTIES. AT THIS TIME WE HAVE A LIST OF 38 PROPERTIES WHICH ARE POTENTIAL TARGETS FOR THE PROGRAM AND ARE CONTAINED IN THE CITY'S NSP "TARGET AREA". THESE PROPERTIES ARE IN VARIOUS STAGES OF DISREPAIR RANGING FROM MINIMAL REPAIRS NEEDED TO EXTENSIVE RENOVATIONS. AT THIS TIME WE HAVE A LIST OF 38 PROPERTIES WHICH ARE POTENTIAL TARGETS FOR THE PROGRAM. THESE PROPERTIES ARE IN VARIOUS STAGES OF DISREPAIR RANGING FROM MINIMAL REPAIRS NEEDED TO EXTENSIVE RENOVATIONS. CODE ENFORCEMENT OFFICERS AND

THE BUILDING OFFICIAL CONDUCTED EXTERIOR INSPECTIONS OF THE TARGETED PROPERTIES. BASED ON THE OUTCOME OF THESE INSPECTIONS, THE BUILDING OFFICIAL SET A COST ESTIMATE BASED ON HIS EXPERIENCE WITH REHAB PROPERTIES AND THE CONSTRUCTION INDUSTRY.

UNDER STRATEGY 1, THE CITY WILL ACQUIRE AND REHABILITATE SIX FORECLOSED PROPERTIES AND WILL SELL SUCH PROPERTIES UPON COMPLETION. ACQUISITION COSTS FOR STRATEGY 1 WILL BE \$720,000 WITH REHABILITATION COSTS BEING \$280,000. ONE HOME WILL BE SOLD TO A HOUSEHOLD EARNING 51% TO 80% AMI, AND FIVE HOMES WILL BE SOLD TO HOUSEHOLDS EARNINGS 81% TO 120% AMI.

IN SELECTING POTENTIAL NSP TARGETS, WE CHOSE PROPERTIES WHICH NEED ONLY MARGINAL REPAIRS SO THEY CAN BE OCCUPIED AS QUICKLY AS POSSIBLE. THIS MINIMIZES THE TIME THE PROPERTIES REMAIN VACANT NEGATIVELY IMPACTING NEIGHBORING PROPERTIES. ONCE THE INSIDE OF THESE SELECTED PROPERTIES CAN BE INSPECTED, THERE IS A POSSIBILITY THAT THE COST OF REHABILITATION WILL GO UP. ADDITIONAL REHABILITATION COSTS WOULD RESULT IN AN OVERALL DECREASE IN ACQUIRED PROPERTIES BECAUSE THE FUNDS WOULD HAVE TO BE USED FOR THE REHABILITATION. REHABILITATION COSTS BELOW WHAT WE ANTICIPATED WILL RESULT IN OUR ABILITY TO ACQUIRE ADDITIONAL PROPERTIES. THE ATTACHED MAPS SHOW CENSUS DATA INDICATING AREAS WITH THE HIGHEST PERCENTAGE OF FORECLOSURES, HIGH RISK LOANS AND VACANCY RATE. ALSO, A MAP OF THE PROPERTIES WE HAVE IDENTIFIED IS ATTACHED INCLUDING A SPREADSHEET LISTING PROPERTIES, COSTS AND EXPECTED REPAIRS COSTS.

UNDER STRATEGY 2 WITH \$299,891 OF NSP FUNDS, THE CITY WILL ASSIST SIX HOUSEHOLDS WITH DOWNPAYMENT ASSISTANCE UP TO \$50,000 PER HOME. INDIVIDUALS RECEIVING NSP DOWNPAYMENT ASSISTANCE WILL BE REQUIRED TO ATTEND MANDATORY HOUSING COUNSELING. HUD-APPROVED HOUSING COUNSELORS AVAILABLE TO THIS PROGRAM HAVE AT LEAST FIFTEEN YEARS OF EXPERIENCE IN THE COMMUNITY WILL BE RECOMMENDED FOR SUCH COUNSELING

UNDER STRATEGY 5, THE CITY WILL PARTNER WITH A LOCAL NON-PROFIT IN SELECTING SIX UNITS TO BE ACQUIRED FOR \$250,000 REHABILITATED OR DEMOLISHED AND REBUILT FOR \$851,190. THE GOAL IS TO SELECT, ACQUIRE A FORECLOSED MULTI-PLEX, REHABILITATE OR DEMOLISH AND REBUILD SUCH COMPLEX WITH SAME NUMBER OF UNITS AND THEN DEED SUCH PROPERTY TO A LOCAL NON-PROFIT WHO WILL, THROUGH INTERLOCAL AGREEMENT, AGREE TO RENT SAID PROPERTY TO SIX HOUSEHOLDS EARNINGS AT OR BELOW 50% AMI. THE NONPROFIT WILL AGREE TO MAINTAIN SUCH PROPERTY AND RENT SUCH PROPERTY FOR THE DEEMED AFFORDABILITY PERIOD.

UNDER THE DIRECTION OF THE ASSISTANT PLANNING & COMMUNITY DEVELOPMENT DIRECTOR, THE CITY'S HOUSING AND COMMUNITY DEVELOPMENT (HCD) DIVISION WILL IMPLEMENT THE OVERALL NSP PROGRAM.

A REQUEST FOR PROPOSAL WILL BE ISSUED TO ATTRACT A LOCAL REAL ESTATE SERVICES COMPANY TO PURCHASE THE FORECLOSED PROPERTIES AND FOR RESALE UPON COMPLETION OF THE REHABILITATION TO THE PROPERTY. A REQUEST FOR PROPOSAL WILL BE FOR LOCAL CONTRACTORS TO PERFORM THE PROPOSED REHABILITATION WORK TO THE ACQUIRED FORECLOSED PROPERTIES. FINANCIAL MANAGEMENT AND RENTAL PROPERTY MANAGEMENT MAY BE HANDLED IN-HOUSE WITH EXPANDED DUTIES FOR EXISTING POSITIONS OR SUCH TASK MAY BE OUTSOURCED CONTINGENT UPON TIME-MANAGEMENT AND COST.

ANY REHABILITATION OR DEMOLITION OF AN ABANDONED AND FORECLOSED HOME OR RESIDENTIAL PROPERTY MUST COMPLY WITH APPLICABLE LAWS, CODES AND OTHER REQUIREMENTS RELATING TO HOUSING SAFETY, QUALITY, AND HABITABILITY, IN ORDER TO

SELL, RENT, OR REDEVELOP SUCH HOMES AND PROPERTIES. HOUSING UNITS RECEIVING REHABILITATION ASSISTANCE UNDER THE NSP MUST AT A MINIMUM BE REHABILITATED OR CONSTRUCTED TO MEET HOUSING QUALITY STANDARDS (HQS). THE REQUIREMENTS OF HQS ARE DETAILED ON THE INSPECTION FORM.

ADHERENCE TO GREEN BUILDING PRACTICES, WHERE APPROPRIATE, IS ENCOURAGED. PLANNING AND COMMUNITY DEVELOPMENT (PCD) DEPARTMENT ENCOURAGES THE USE OF ENERGY STAR RATED APPLIANCES WHENEVER ECONOMICALLY FEASIBLE. ADDITIONAL INFORMATION MAY ALSO BE FOUND AT WWW.BUILDINGGREEN.COM AND WWW.ENERGYSTAR.GOV.

THE PCD ALSO ENCOURAGES THE USE OF UNIVERSAL DESIGN ELEMENTS WHEN POSSIBLE. THIS IS PARTICULARLY APPLICABLE WHERE SUBSTANTIAL RECONSTRUCTION WILL TAKE PLACE. NSP FUNDS MAY BE USED FOR PRESERVATION, IMPROVING ENERGY EFFICIENCY OR CONSERVATION, OR PROVIDING RENEWABLE ENERGY SOURCE(S). PCD MAY FUND COSTS, SUCH AS SALES COSTS, CLOSING COSTS, AND REASONABLE DEVELOPER'S FEES, RELATED TO NSP-ASSISTED HOUSING, REHABILITATION, OR CONSTRUCTION ACTIVITIES. PCD MAY REHABILITATE PROPERTY TO BE OPERATED AS RENTAL HOUSING BY THE DEPARTMENT, BY A SUB RECIPIENT, BY A LESSEE OR BY A PURCHASER.

PCD WILL DEVELOP A LIST OF QUALIFIED ELIGIBLE CLIENTS WHO ARE WILLING TO MOVE IN THE NEIGHBORHOOD TARGETED FOR NSP. CLIENTS WILL HAVE INCOME LEVELS AT OR BELOW THE 120% AMI.

EMPHASIS IS PLACED ON DWELLINGS THAT RETAIN THE STRUCTURE OF THE EXISTING NEIGHBORHOOD AND PRIORITY IS PLACED ON PROJECTS THAT PROVIDE HOMEOWNERSHIP OPPORTUNITIES FOR ELIGIBLE CLIENTS. IT IS THE INTENT OF THE NSP TO ENSURE THAT PROJECTS WILL NOT SIGNIFICANTLY CHANGE PRE-EXISTING NATURE, CHARACTERISTIC, OR STABILITY OF THAT NEIGHBORHOOD.

THROUGH THE ANNUAL EXTERNAL AUDIT AND INTERNAL CONTROLS, THE CITY WILL MONITOR PROJECT PERFORMANCE AND TO THE BEST OF ITS ABILITY WILL PREVENT FRAUD ON THE PART OF THE CONTRACTOR OR PROFESSIONAL SERVICES RENDERED ON BEHALF OF THE PROJECT. THE GOAL OF THE MONITORING WILL BE TO PREVENT WASTE, FRAUD, AND ABUSE.

III. NSP STRATEGIES

NSP STRATEGY 1: HOUSING ACQUISITION/REHABILITATION OF HOMES FOR SALE TO INDIVIDUALS AND FAMILIES WITH INCOMES LESS THAN 120 PERCENT OF AMI

Description: The purpose of this NSP strategy is to stabilize neighborhoods of greatest need by providing a means for the acquisition, rehabilitation, renovation, and subsequent provision of homes and other foreclosed or abandoned residential properties to individuals and families whose income does not exceed 120 percent of the area median income. NSP sub-grantees will be required to work with lenders to acquire homes that have been foreclosed within the areas designated as having the greatest need. Indicate which activities you plan to undertake with NSP and/or other funding:

- 24 CFR 570.201(a) Acquisition
- 24 CFR 570.201(b) Disposition
- 24 CFR 570.201(e) Public Services for housing counseling
- 24 CFR 570.201(i) Relocation
- 24 CFR 570.201(n) Homeownership Assistance
- 24 CFR 570.202(a) Rehabilitation

Total NSP Budget for NSP Strategy: \$1,000,000
 Other Funds to Be Committed for NSP Strategy:

NSP Target Area and Justification: Include as much detail as you can about the NSP target area(s) and provide justification of need (estimated number of foreclosed homes, vacant homes, etc.).

NSP Target Area (city, neighborhood, etc.)	City limits for zip codes 34205, 34208, 34209
Justification (estimated number of foreclosures, etc.):	<p>As of March 2009, zip codes 34205, 34208, and 34209 which include County data contain 3,823 foreclosed properties per www.realtytrac.com. In Florida, one in five homes is in foreclosure or has late payments for the property. The City of Bradenton has roughly 15,000 dwelling units. The City estimates from field experience that there are 1,500 foreclosed homes and 200 to 300 vacant dwellings within our jurisdiction boundaries. The average property value for the targeted foreclosed home as of February 2009 is \$112,393 with the non-negotiated price range from \$63,674 to \$198,437. External rehabilitation work for each property to be acquired is expected to be no more than \$46,600 assuming no significant interior work such as mold remediation is needed. The City will expend \$1,000,000 in NSP funds to purchase (\$720,000) and rehabilitate (\$280,000) six (6) foreclosed homes in the 34205 and 34208 zip code areas. These areas have been established as the City of Bradenton's <i>Target Area of Greatest Need</i> due to the high foreclosure rates as determined by HUD data (i.e. areas of high cost loans, areas of high foreclosures and areas with a projected 90-day vacancy rate or higher), City housing data and a windshield survey of vacant/foreclosed homes. Of the SIX (6) homes purchased and rehabilitated with NSP. Of the six (6) homes purchased and rehabilitated with NSP funds, an estimated one (1) will be made available for sale to individuals and families having incomes at or below 80% AMI and an estimated five (5) will be made available to individuals and families having incomes at or below 120% AMI.</p> <p>In selecting potential NSP targets the City chose properties, based on an external examination by City staff (i.e. Building Inspector(s) and Building Administrator), which needed only marginal repairs so that the unit(s) can be rehabilitated and occupied as quickly as possible. This minimizes the time the</p>

	properties remain vacant, negatively impacting neighboring properties.
Potential Nonprofit or For-profit Subrecipients (including property management companies):	Request for proposal is underway to solicit partners.
Potential Lending Partners (if known):	Not determined.
Potential Counseling Agencies (if known):	Goodwill Industries and Catholic Charities.

Timeline: Please provide a tentative timeline for the following steps: Timeline will start at time of award agreement being executed between the City of Bradenton and DCA.

Activity	Tentative Start Dates
Identification of units for acquisition	June 2009
Appraisal of units	September 2009
Negotiation of price at closing	September 2009
Closing	Sept. – Dec. 2009
Solicitation and qualification of buyers	May 2009
Rehabilitation of units (if needed)	November 2009

Performance Measures: All activities funded with State NSP funds must meet one or more of the following performance measures:

Enter estimated number of units that will benefit each income level:	50% AMI and below	51-80% AMI	81-120% AMI
estimated units of housing to be acquired	0	1	5
estimated units of housing to be rehabilitated	0	1	5
estimated units of housing to be demolished	0	0	0
estimated units of housing to be sold	0	1	5
estimated parcel(s) to be acquired	0	0	0

Unmet Need: Please describe any unmet need that you wish to be taken into consideration should recaptured funds from another grantee or program income be made available.

NSP Strategy	Approximate \$ Amount Needed
<p>Due to the ten-month obligation of funds requirement, the strategy recommended for the current allocation will prioritize homes that need the least rehabilitation and are the best marketable properties. An unmet need will occur as there are other properties in need of extensive assistance. The timeframe to spend funds coupled with the minimal allocation will not allow these properties to be addressed which could lead to extensive slum and blight for areas where there is a high concentration of extended foreclosures.</p> <p>Based on staff's professional judgment, the average rehabilitation cost per unit is \$10,000. This cost is based on an external inspection of major structural components (e.g. roof, foundation, piers, doors windows, electrical, HVAC, etc.) and does not include internal rehabilitation. It is understood that after a follow-up internal inspection a may require additional monies to complete the unit</p>	\$7,500,000

rehabilitation. It is further understood that a unit's rehabilitation costs may be less than the budgeted (\$10,000) amount. It is the City's intent request the use all remaining monies from the purchase and rehabilitation of the initially identified units, to be used for the purchase and rehabilitation of additional units

As of March 2009, the City of Bradenton has identified over fifty properties in immediate need of acquisition and rehabilitation. The identified properties are located in stable neighborhoods but have a strong potential for creating a blighted area within a short amount of time as a result of abandonment or foreclosure.

As mentioned previously, we estimate there are possibly 1,500 foreclosed properties located in the City of Bradenton boundaries. The amount of time the property has been vacant will determine the extent and cost of rehabilitation needed to make the homes habitable and marketable.

The City of Bradenton currently has 54,795 people (U of F. BEBR, 2007) and 24,956 housing units. While the City has a diverse housing stock it is comprised largely of single-family dwelling units (48.4% SFU, 46.1 % MFU, 4.5% MHU and 0.9% other). The City housing stock is 62% owner occupied with 38% of the housing stock renter occupied with a 14-15% vacancy rate.

Over 78% of the City's housing stock was built before 1990 with 14.2% of the housing stock built before 1960. According to the U.S. Census 2000

- 0.5 percent (97 units) in Bradenton lacked complete plumbing facilities, compared to the County's 0.3 percent and State's 0.4 percent
- 1.8 percent (387 units) in Bradenton lacked complete kitchen facilities, compared to the County's 0.7 percent and State's 0.5 percent
- 5.2 percent (1,108 units) in Bradenton were overcrowded, compared to the County's 4 percent and the State's 6.5 percent
- 1.4 percent (301 units) in Bradenton did not use home heating fuel, compared to the County's 0.9 percent and State's 1.8 percent
- 3.4 percent (722 units) in Bradenton lacked telephone services, compared to the County's 2 percent.

According to the 2000 U.S. Census, homes under \$99,999 accounted for 56 percent of the housing units the City of Bradenton and 38 percent in Manatee County. The median home value for the same year in the City of Bradenton was \$95,500, almost 25% lower than Manatee County. The State of Florida median home value for the same period was \$105,500.

NSP STRATEGY 2: HOUSING FINANCE

Description: The purpose of this NSP strategy is to improve access to mortgage capital on flexible terms, maintain occupancy of foreclosed homes, facilitate property renovation, and help individuals and families access responsible credit and financing to promote homeownership by promoting long-term affordability. Indicate which activities you plan to undertake with NSP and/or other funding:

24 CFR 570.206(g) Administrative expenses to facilitate housing
 24 CFR 570.201(n) Homeownership Assistance

Total NSP Budget for NSP strategy: \$299,891

Other Funds to Be Committed for NSP Strategy:

NSP Target Area and Justification: Include as much detail as you can about the NSP target area(s) and provide justification of need (estimated number of foreclosed homes, vacant homes, etc.).

NSP Target Area (city, neighborhood, etc.)	City limits for zip codes 34205, 34208, 34209
Justification (estimated number of foreclosures, etc.):	During the SHIP open application period for down-payment assistance, the City reviewed nearly thirty-five potential candidates with six sound candidates as an outcome. The maximum assistance of \$50,000 was provided to four of the six candidates and currently three are searching for eligible properties to assume homeownership. The SHIP FICO score is 580.
Potential Nonprofit or For-profit Subrecipients (including property management companies):	Request for proposal is underway to solicit partners.
Potential Lending Partners (if known):	Not determined as of current date.
Potential Counseling Agencies (if known):	Goodwill Industries and Catholic Charities for housing counseling services.

Timeline: Please provide a tentative timeline for the following steps:

Activity	Tentative Start Dates
Identification of units for acquisition	NOT APPLICABLE
Appraisal of units	NOT APPLICABLE
Negotiation of price at closing	NOT APPLICABLE
Rehabilitation of units (if needed)	NOT APPLICABLE
Solicitation and qualification of buyers	May 2009
Closing	NOT APPLICABLE

Performance Measures: All activities funded with State NSP funds must meet one or more of the following performance measures:

Enter estimated number of units that will benefit each income level:	# benefit- ing 50% AMI and below	51-80% AMI	81-120% AMI
Estimated number of households to receive homeownership assistance		1	5

Unmet Need: Please describe any unmet need that you wish to be taken into consideration should recaptured funds from another grantee or program income be made available.

NSP Strategy	Approximate \$ Amount Needed
On average the City has six to eight potential candidates requesting and eligible for down-payment assistance. With the recent reductions to the SHIP Program, we serve three individuals with up to five being un-served in a fiscal year.	\$299,891

NSP STRATEGY 3: ESTABLISHING LAND BANKS

NOT APPLICABLE

Description: The purpose of this NSP strategy is to bring abandoned property back into productive use, generating tax revenue, raising property values and creating community amenities such as affordable housing and green space. For the purposes of the NSP program, a land bank will operate in a specific, defined geographic area and will purchase properties that have been abandoned or foreclosed upon and will maintain, assemble, facilitate redevelopment of, market, and dispose of the land-banked properties. Indicate which activities you plan to undertake with NSP and/or other funding:

_____ 24 CFR 570.201(a) Acquisition

_____ 24 CFR 570.201(b) Disposition

Total NSP Budget for NSP Strategy: \$_____

Other Funds to Be Committed for NSP Strategy: \$_____ The Department will limit the overall percentage of regular funding (excluded the funds set aside for rental housing for households at or below 50 percent AMI) that can be used for land banking to 10 percent.

NSP Target Area and Justification: Include as much detail as you can about the NSP target area(s) and provide justification of need (estimated number of foreclosed homes, vacant homes, etc.).

NSP Target Area (city, neighborhood, etc.)	NOT APPLICABLE
Justification (estimated number of foreclosures, etc.). A land bank disposition plan must be provided if you intend to spend NSP funds on land banking.	NOT APPLICABLE
Potential Nonprofit or For-profit Subrecipients (including property management companies):	NOT APPLICABLE

Timeline: Please provide a tentative timeline for the following steps:

Activity	Tentative Start Dates
Identification of parcels for acquisition	NOT APPLICABLE
<i>If acquired parcels have vacant units that will be demolished, indicate tentative date for demolition</i>	NOT APPLICABLE
Appraisal of parcel	NOT APPLICABLE
Negotiation of price at closing	NOT APPLICABLE
Closing	NOT APPLICABLE

Performance Measures: All activities funded with State NSP funds must meet one or more of the following performance measures:

estimated number of parcels:	NOT APPLICABLE
estimated units of housing or other properties to be demolished	NOT APPLICABLE
estimated parcel(s) to be acquired	NOT APPLICABLE

Unmet Need: Please describe any unmet need that you wish to be taken into consideration should recaptured funds from another grantee or program income be made available.

NSP Strategy	Approximate \$ Amount Needed
NOT APPLICABLE	

NSP STRATEGY 4: DEMOLITION AND CLEARANCE/ HOUSING REDEVELOPMENT

NOT APPLICABLE

Description: The purpose of this NSP strategy is to turn vacant or blighted properties into productive use that will help stabilize a neighborhood which has been negatively impacted by foreclosures. Indicate which activities you plan to undertake with NSP and/or other funding:

- _____ 24 CFR 570.201(a) Acquisition
- _____ 24 CFR 570.201(b) Disposition
- _____ 24 CFR 570.201(d) Clearance and Remediation (including housing replacement or new construction)
- _____ 24 CFR 570.201(n) Homeownership Assistance
- _____ 24 CFR 570.201(o) Counseling

Total NSP Budget for NSP Strategy: \$_____ Funds for this activity cannot exceed five percent of the regular allocation (excluding the set-aside for rental housing).

Other Funds to Be Committed for NSP Strategy: \$_____

NSP Target Area and Justification: Include as much detail as you can about the NSP target area(s) and provide justification of need (estimated number of foreclosed homes, vacant homes, etc.).

NSP Target Area (city, neighborhood, etc.)	NOT APPLICABLE
Justification (estimated number of foreclosures, etc.):	NOT APPLICABLE
Potential Nonprofit or For-profit Subrecipients (including property management companies):	NOT APPLICABLE

Potential Lending Partners (if known):	NOT APPLICABLE
Potential Counseling Agencies (if known):	NOT APPLICABLE

Timeline: Please provide a tentative timeline for the following steps:

Activity	Tentative Start Dates
Identification of units for acquisition	NOT APPLICABLE
Appraisal of units	NOT APPLICABLE
<i>If acquired units will be demolished, indicate tentative date for demolition</i>	NOT APPLICABLE
<i>If new construction will occur, indicate tentative date for completion</i>	NOT APPLICABLE
Negotiation of price at closing	NOT APPLICABLE
Closing	NOT APPLICABLE

Performance Measures: All activities funded with State NSP funds must meet one or more of the following performance measures:

Enter the estimated number of units for each income level:	# benefit- ing 50% AMI and below	51-80% AMI	81-120% AMI
estimated units of housing to be acquired	NA	NA	NA
estimated units of housing to be rehabilitated	NA	NA	NA
estimated units of housing to be demolished	NA	NA	NA
estimated units of housing to be sold	NA	NA	NA
estimated units of housing to be rented	NA	NA	NA
estimated parcel(s) to be acquired	NA	NA	NA

Unmet Need: Please describe any unmet need that you wish to be taken into consideration should recaptured funds from another grantee or program income be made available.

NSP Strategy	Approximate \$ Amount Needed
NOT APPLICABLE	NOT APPLICABLE

NSP STRATEGY 5: HOUSING ACQUISITION/REHABILITATION OF HOMES FOR LEASE TO INDIVIDUALS AND FAMILIES WITH INCOMES LESS THAN 120 PERCENT OF AMI. FUNDS FOR THIS NSP STRATEGY MUST INCLUDE ALL OF THE SUPPLEMENTAL FUNDING, BUT MAY ALSO INCLUDE THE REGULAR STATE ALLOCATION.

Description: The purpose of this NSP strategy is to turn foreclosed or abandoned properties into decent, safe and affordable housing for low, moderate and middle income individuals and families. **This form must reflect the 25 percent set-aside for rental housing for households at or below 50 percent of AMI as well as for rental housing funded from the regular allocation that meets the income requirement.** Indicate which activities you plan to undertake with NSP and/or other funding:

- 24 CFR 570.201(a) Acquisition
- 24 CFR 570.202(a) Rehabilitation
- 24 CFR 570.201(b) Disposition
- 24 CFR 570.201(i) Relocation

Total NSP Budget for NSP Strategy: \$1,101,190

Total NSP Budget for activities that will benefit persons at or below 50 percent of AMI: \$1,101,190

Other Funds to Be Committed for NSP Strategy: \$_____

NSP Target Area and Justification: Include as much detail as you can about the NSP target area(s) and provide justification of need (estimated number of foreclosed homes, vacant homes, etc.).

NSP Target Area (city, neighborhood, etc.)	City limits for zip codes 34205, 34208, 34209
Justification (estimated number of foreclosures, etc.):	<p>As of March 2009, zip codes 34205, 34208, and 34209 which include County data contain 3,823 foreclosed properties per www.realtytrac.com. In Florida, one in five homes is in foreclosure or has late payments for the property. The City of Bradenton has roughly 15,000 dwelling units. The City estimates from field experience that there are 1,500 foreclosed homes and 200 to 300 vacant dwellings within our jurisdiction boundaries. The average property value for the targeted foreclosed home as of February 2009 is \$112,393 with the non-negotiated price range from \$63,674 to \$198,437.</p> <p>The City is reviewing its foreclosed property list to identify multi-use family structures. The City plans to acquire such structure and rehabilitate or demolish and rebuild should the property require greater than 50% rehabilitation cost. Through contract with a non-profit or CDC, the improved property will be managed serving individuals earning at or below 50% AMI for the necessary affordability period.</p>

Potential Nonprofit or For-profit Subrecipients (including property management companies):	Request for proposal is underway to solicit partners. Contract negotiations with a local non-profit are underway.
Potential Lending Partners (if known):	Not determined.
Potential Counseling Agencies (if known):	Goodwill Industries and Catholic Charities for housing counseling services.

Timeline: Please provide a tentative timeline for the following steps:

Activity	Tentative Start Dates
Identification of units for acquisition	July 2009
Appraisal of units	September 2009
Negotiation of price at closing	September 2009
Purchase and Closing	Nov. – Dec. 2009
Rehabilitation of units or Demolish Units	September 2009
Construction of New Units, if deemed necessary	October 2009

Performance Measures: All activities funded with State NSP funds must meet one or more of the following performance measures:

Enter estimated number of units that will benefit each income level:	# benefiting 50% AMI and below (this amount must correspond to the rental set-aside allocation)	51-80% AMI	81-120% AMI
estimated units of housing to be acquired	6	0	0
estimated units of housing to be rehabilitated	6	0	0
estimated units of housing to be demolished	0	0	0
estimated units of housing to be rented	6	0	0
estimated parcel(s) to be acquired	0	0	0

Unmet Need: Please describe any unmet need that you wish to be taken into consideration should recaptured funds from another grantee or program income be made available.

NSP Strategy	Approximate \$ Amount Needed

ADMINISTRATION

Description: Administrative costs must be associated with overall program management. This does not include costs associated with carrying out activities eligible under Section II (B) (3) (b) regarding homebuyer counseling or activity delivery costs.

Total Budget: \$175,186 (cannot exceed 6.8 percent of allocation)

Responsible Organization:	City of Bradenton
Potential Subrecipients:	Administration funds will be used for realty services associated with the sale or rental of rehabilitated homes and will be used for staff time associated with the overall project. Staff time would include financial management, rehabilitation, project management, rental property management or down payment assistance. An additional staff person may be added to coordinate the program

IV. ASSURANCES, CERTIFICATIONS AND SIGNATURE

I, the undersigned chief elected official or authorized representative of the Applicant, certify that this Application has been approved by the local governing body and that the Applicant will comply with the following certifications and assurances as well as applicable federal and state requirements in the administration of any award that is made.

1. Affirmatively furthering fair housing. The Applicant 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-lobbying. The Applicant 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.

3. Authority of Applicant. The Applicant certifies that the consolidated plan 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.

4. Acquisition and relocation. The Applicant 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. An Anti-Displacement and Relocation Plan has been adopted (or will be adopted prior to the expenditure of funds) and displacement of persons will be minimized.

5. Section 3. The Applicant 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.

6. Citizen participation. The Applicant 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 federal and state NSP requirements.

7. Use of funds. The Applicant certifies that it will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using all of its grant funds within 18 months of receipt of the grant.

8. The Applicant 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 Applicant will not attempt to recover any capital costs of public improvements assisted with NSP 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 NSP 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 Applicant certifies that it lacks NSP funds to cover the assessment.

9. Excessive force. The Applicant 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.

10. Compliance with antidiscrimination laws. The Applicant 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.

11. Compliance with lead-based paint procedures. The Applicant 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.

12. Compliance with laws. The Applicant certifies that it will comply with applicable laws.

13. The Applicant will satisfy the Intergovernmental Coordination and Review (Clearinghouse Review Process) and Environmental Review requirements.

14. Each housing structure addressed with CDBG funds will, upon completion, meet HUD Section 8 Housing Quality Standards and local codes.

15. The Applicant has adopted a Community Development Plan or has adopted the Local Comprehensive Plan as the Community Development Plan.

16. The Applicant has adopted a Housing Assistance Plan for selecting potential beneficiaries and housing units for the proposed NSP assistance.

17. The Applicant will collect and maintain documentation verifying that the beneficiaries of the funds meet the federal guidelines as described in the Federal Register Notice dated October 6, 2008, and the specific activity requirements described in the NSP Substantial Amendment to the Action Plan.

18. The Recipient has read, understands, and will comply with the provisions of the State’s Substantial Amendment to its 2008 Action Plan regarding the recapture of funds and program income.

19. The Applicant will monitor all subrecipients to ensure compliance with all regulations promulgated by HUD and the Department of Community Affairs.

20. The information presented in this application is accurate, and documentation is on file and readily accessible to the Department of Community Affairs.

21. Submission of this Application was authorized by the local governing body.

_____ Typed Name of Chief Elected Official or Individual Authorized by Resolution of the Local Governing Body
_____ Signature of Chief Elected Official or Individual Authorized by Resolution of the Local Governing Body
Date

ATTACHMENT A: PROJECT BUDGET AND ACCOMPLISHMENTS

NSP STRATEGY 1: Housing Acquisition/Rehabilitation of homes for sale to individuals and families with incomes less than 120 percent of AMI									
ACTIVITY		ACCOMPLISHMENTS		BENEFICIARIES			BUDGET		
ACTIVITY #	ACTIVITY	UNIT	ESTIMATED NUMBER	50% AMI and below	51% to 80% AMI	81% to 120% AMI	NSP \$	OTHER \$	SOURCE(S)
21B	ENGINEERING								
01	Acquisition	6			1	5	\$720,000		
02	Disposition								
05	Public Services for housing counseling								
08	Relocation								
13	Homeownership Assistance								
14A	Rehabilitation – Single Family	6			1	5	\$280,000		
14B	Rehabilitation – Multi Family								
TOTALS		6			1	5	\$1,000,000		

ATTACHMENT A: PROJECT BUDGET AND ACCOMPLISHMENTS

NSP STRATEGY 2: Housing Finance									
ACTIVITY		ACCOMPLISHMENTS		BENEFICIARIES			BUDGET		
ACTIVITY #	ACTIVITY	UNIT	ESTIMATED NUMBER	50% AMI and below	51% to 80% AMI	81% to 120% AMI	NSP \$	OTHER \$	SOURCE(S)
13	Homeownership Assistance (including Administrative Expenses -Necessary to Facilitate Homeownership)	6			1	5	\$299,891		
Totals		6			1	5	\$299,891		

ATTACHMENT A: PROJECT BUDGET AND ACCOMPLISHMENTS

NSP STRATEGY 3: Establishing Land Banks NOT APPLICABLE									
ACTIVITY		ACCOMPLISHMENTS		BENEFICIARIES			BUDGET		
ACTIVITY #	ACTIVITY	UNIT	ESTIMATED NUMBER	50% AMI and below	51% to 80% AMI	81% to 120% AMI	NSP \$	OTHER \$	SOURCE(S)
21B	ENGINEERING								
01	Acquisition								
02	Disposition								
04	Clearance and remediation								
Totals									

ATTACHMENT A: PROJECT BUDGET AND ACCOMPLISHMENTS

NSP STRATEGY 4: Demolition and Clearance/Housing Redevelopment NOT APPLICABLE									
ACTIVITY		ACCOMPLISHMENTS		BENEFICIARIES			BUDGET		
ACTIVITY #	ACTIVITY	UNIT	ESTIMATED NUMBER	50% AMI and below	51% to 80% AMI	81% to 120% AMI	NSP \$	OTHER \$	SOURCE(S)
21B	ENGINEERING (If applicable)								
01	Acquisition								
02	Disposition								
05	Public Services for housing counseling								
08	Relocation								
13	Homeownership Assistance								
04	Clearance and remediation								
12	Housing Replacement								
Totals									

ATTACHMENT A: PROJECT BUDGET AND ACCOMPLISHMENTS

NSP STRATEGY 5: Housing Acquisition/Rehabilitation of homes for lease to individuals and families with incomes less than 120 percent of AMI. **This page must include funds set-aside for individuals and families with incomes less than 50 percent of AMI.**

ACTIVITY		ACCOMPLISHMENTS		BENEFICIARIES			BUDGET			
ACTIVITY #	ACTIVITY	UNIT	ESTIMATED NUMBER	50% AMI and below	51% to 80% AMI	81% to 120% AMI	Total NSP \$ for activities that will benefit persons at or below 50% AMI	REGULAR NSP \$	OTHER \$	SOURCE(S)
21B	ENGINEERING									
01	Acquisition	6		6			\$250,000	\$250,000		
14A	Rehabilitation – Single Family	6		6			\$851,190	\$851,190		
14B	Rehabilitation – Multi Family									
02	Disposition									
08	Relocation – Rental Assistance									
Totals		6		6			\$1,101,190	\$1,101,190		

ATTACHMENT A: ACTIVITY AND BUDGET SUMMARY

SUMMARY OF ALL ACTIVITIES										
This form <u>must</u> reflect the summary of all activities to be undertaken as well as administrative costs (not to exceed 6.8% of the allocation). Project delivery administrative costs should be included in the activity budget (not the Administration line item). For example, all costs related to the specific acquisition of a residential property should be included in the acquisition budget.										
ACTIVITY		ACCOMPLISHMENTS		BENEFICIARIES			BUDGET			
ACTIVITY #	ACTIVITY	UNIT	ESTIMATED NUMBER	50% AMI and below	51% to 80% AMI	81% to 120% AMI	Total NSP \$ for activities that will benefit persons at or below 50% AMI	REGULAR NSP \$	OTHER \$	SOURCE(S)
21A	ADMINISTRATION							\$175,186		
21B	ENGINEERING									
01	Acquisition	6			1	5	\$250,000	\$720,000		
14A	Rehabilitation – Single Family	12		6	1	5	\$851,190	\$280,000		
14B	Rehabilitation – Multi Family									
02	Disposition									
05	Public Services for Housing Counseling									
08	Relocation									
13	Homeownership Assistance (including Administrative Expenses to Facilitate Homeownership)	6			1	5		\$299,891		
04	Clearance and Remediation									
Totals		24		6	3	15	\$1,101,190	\$1,475,077		

ATTACHMENT B
HOUSING ASSISTANCE PLAN

The local government must adopt a policy for selecting beneficiaries and housing units for housing assistance. If the Department awards a grant to the local government, the local government must follow this policy. The policy can only be modified with DCA approval. A copy of the policy must accompany the application. Please refer to the Application Instructions for the minimum criteria required in the plan.