



Neighborhood Stabilization Program 3 Substantial Amendment



District of Columbia
Department of Housing and Community Development
1800 Martin Luther King, Jr. Ave SE
Washington, DC 20020 | (202) 442-7200
Robert Trent, Interim Director


 Government of the District of Columbia
Vincent C. Gray, Mayor

Table of Contents

I.	NSP3 Grantee Information	1
II.	Areas of Greatest Need	1
III.	Definitions and Descriptions	3
IV.	Low-Income Targeting	4
V.	Acquisition and Relocation.....	5
VI.	Public Comment.....	5
VII.	NSP Information by Activity	6
VIII.	Certifications.....	11
	Appendix A: NSP3 Target Areas	14
	Appendix B: NSP3 Public Notice	30
	Appendix C: Summary of Public Comments	31
	Appendix D: Application for Federal Assistance (SF 424).....	32
	Appendix E: NSP3 Time Frame and Key Dates.....	35

NSP3 ACTION PLAN APPLICATION/AMENDMENT

I. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Bray, Alan R.
Email Address	alan.bray@dc.gov
Phone Number	(202) 442-7273
Mailing Address	1800 Martin Luther King Jr. Avenue, SE Washington, DC 20020

The third round of federal funding of the Neighborhood Stabilization Program (NSP3) is authorized under the Dodd-Frank Wall Street Reform and Consumer Protection Act. The NSP3 program is administered by the US Department of Housing and Urban Development (HUD). The DC Department of Housing and Community Development was awarded \$5,000,000 to establish and implement the NSP3 program in the District of Columbia.

This Action Plan for the use of the District’s NSP3 grant is a substantial amendment to its current, approved five year consolidated plan and FY 2011 annual action plan. The NSP3 grant is considered by HUD to be a special CDBG allocation to address the continuing problem of abandoned and foreclosed homes.

II. Areas of Greatest Need

Map Submission

The map generated with the data from the HUD NSP3 Mapping Tool for Preparing Action Plan website is included as Appendix A.

Data Sources Used to Determine Areas of Greatest Need

Describe the data sources used to determine the areas of greatest need.
<p>Response:</p> <p>In order to comply with the NSP3 requirement that funds be concentrated in or around census tracts with the highest needs, DHCD used the HUD Foreclosure Need website (www.huduser.org/NSP/NSP3) as a data source for determining the areas of greatest need. Utilizing the HUD provided dataset, DHCD identified Ward 7, 8 and part of Ward 5 as NSP3 target areas. DHCD also used vacancy and abandoned property data provided the DC Department of Consumer and Regulatory Affairs to determine the areas of greatest need.</p> <p>NSP3 Planning Data is attached for each target area. The data corresponds to the boundaries illustrated on the attached Target Neighborhood map.</p>

The areas of greatest need were defined through the use of available data including:

- (a) Greatest percentage of home foreclosures;
- (b) Highest percentage of homes financed by sub-prime mortgage related loan; and
- (c) Identified by DHCD as likely to face a significant rise in the rate of home foreclosures.

Foreclosure and vacancy data is not static and may change rapidly with market conditions. The areas shown in Appendix A have been selected as Areas of Greatest Need for the use of NSP3 funds within the District. The map shows most, though not all the factors which were included in the analysis.

This data was used to develop a District wide strategy to best utilize NSP3 funds.

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:

According to the HUD provided dataset, Wards 5, 7, and 8 have the District's largest concentration of census tracts with a risk score of 14 or higher. For the purposes of this grant application, these census tracts within Wards 5, 7, and 8 exceed the NSP program requirements for eligibility. By selecting Wards 7, 8 and part of Ward 5 as the target area, DHCD will be able to invest NSP3 funds in programs and projects that revitalize high priority neighborhoods within the Wards and reconnect those neighborhoods with the economy, housing market, and social networks of the community and metropolitan area as a whole.

A majority of the targeted areas are included in the designated CDBG Target Area identified in the District's FY 2011 annual action plan, as well as our NSP1 Substantial Amendment and NSP2 action plan. DHCD along with many businesses and non-profit organizations has invested much time and resources into these wards and neighborhoods. Thus, DHCD wishes to build upon the ongoing efforts to revitalize and develop these areas. By creating sustainable homeownership opportunities in these neighborhoods close to the city's downtown area, we will help bring new patrons to existing businesses struggling in these communities. The addition of new patrons will also spur new growth and business opportunities in the entire target area.

Focusing on high priority neighborhoods within the wards allows NSP3 funds to be directed to areas with the highest percentage of existing foreclosures, areas with the highest percentage of homes financed by subprime mortgage related loans, and the areas identified by DHCD as likely to face a significant rise in the rate of home foreclosures. The high priority neighborhoods in Wards 5, 7, and 8 are being targeted in order to make a notable impact in the community.

Through DHCD's collaborative efforts with the businesses and non-profits in the target area, DHCD plans to arrest the decline of home values and eliminate vacant and abandoned residential property in the targeted and surrounding communities. The expected outcome will be an increase in sales and median market values of real estate property in the targeted areas. DHCD's primary objective is to use the NSP3 funds to develop viable urban communities providing decent, affordable housing options, and spurring economic opportunity for persons of low- and moderate-income.

No tiered approach is being utilized to determine the distribution of funding. However, DHCD plans to concentrate the distribution and use of NSP3 funds to those high priority neighborhoods shown in

Appendix A of this amendment that have been identified as the areas of greatest need within the District. DHCD plans allocate 90% of the total NSP3 grant to acquisition, multi-family rehab, and home purchase assistance activities to achieve the goal of making an impact in the target areas. While it is believed that this amount will help to accomplish this goal, DHCD reserves the right to amend this Action Plan to make certain that this goal is achieved.

III. Definitions and Descriptions

Definitions

Term	Definition
Blighted Structure	A structure that exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare.
Affordable Rents	HOME program rents will be used by DHCD for projects funded by NSP3. These are updated annually by the U.S. Department of Housing and Urban Development. HOME Program rent limits are available at www.hud.gov .

Descriptions

Term	Definition
Long-Term Affordability	<p>The District has adopted the HOME Program affordability standards to meet the continued affordability standards of the Neighborhood Stabilization Program. Utilizing these standards, the District will ensure that all NSP assisted housing remains affordable to individuals or families whose incomes do not exceed 120 percent of area median income.</p> <p>These standards require that rental and homeownership housing must remain affordable for 15 to 20 years, depending on the amount of NSP3 funds invested in the housing unit. Long-term affordability will be enforced through rental and deed restrictions, including resale/recapture provisions.</p> <p>DHCD will also ensure continued affordability for NSP3 assisted housing by long-term monitoring. Desk reviews and on-site monitoring will provide an on-going assessment to assure the rental units assisted with NSP3 funds are being utilized in accordance with all laws, regulations, and policies that govern the program. DHCD staff will be responsible for reviewing information from property owners/managers as it relates to laws, regulations, and policies.</p> <p>Throughout the compliance period, property owners/managers must complete and submit an Annual Compliance Report. The report will update staff on the status of the NSP3 assisted units and property. Staff will schedule on-site monitoring visits annually.</p> <p>DHCD shall ensure, to the maximum extent practicable and for the longest feasible term, that the redevelopment of abandoned and foreclosed upon</p>

	residential properties remain affordable.
Housing Rehabilitation Standards	<p>DHCD’s Single Family Rehabilitation Program Standards will apply to NSP3-assisted existing housing activities. These rehabilitation standards require that properties meet all applicable local codes and laws and that the properties be decent and safe. The rehabilitation standards currently require the use of Energy Star rated components in these projects.</p> <p>All new construction will adhere to the District’s Uniform Building Code, which incorporates the Energy Standard. Developers of new housing are required to incorporate green building and energy efficiency into their projects. DHCD may also partner with DDOE to provide incentives for installing energy efficient improvements to units.</p>

IV. Low-Income Targeting

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

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:</p> <p>DHCD is committed to ensuring a minimum of 25% of the total NSP3 funding will be used to assist households that earn less than fifty percent of the area median income. DHCD will utilize strategies previously employed in its NSP1 and NSP2 program.</p> <p>The estimated amount of NSP3 funds to be used to purchase and redevelop abandoned or foreclosed homes or residential properties that will meet the requirement that 25% of funds be used to serve households with incomes at or below 50% of area median income is \$1,250,000.</p> <p>The 2010 AMI for the Washington Metro Area is \$103,500. According to the Census Bureau, the District’s poverty rate is 18% with some 11% of residents reporting incomes below 50% of the poverty level. In the NSP3 target areas, the poverty rate is 25% with some 19% of residents reporting incomes below 50% of the poverty level. Most of these residents have incomes well below 50% of AMI, and DHCD plans to make it a priority to work cooperatively with developers to provide affordable housing opportunities for these families and individuals within the NSP3 target areas.</p> <p>All developers will be encouraged to respond to the housing needs of households that do not exceed 50% AMI through the scoring system for applications. We anticipate that approximately 30% of the</p>

activities funded with NSP3 funds will benefit households earning less than 50% AMI.

In order to meeting the Low Income Set Aside target, DHCD plans to allocate at least 25% of the funds for each activity to achieve the goal to provide housing for individuals or families within the target areas whose incomes do not exceed 50% AMI. While it is believed that this amount is adequate to accomplish this goal, DHCD reserves the right to amend this Action Plan to make certain that this highest-priority goal is achieved.

V. Acquisition and Relocation

Demolition or Conversion of LMI Units

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

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% of area median income.	N/A

VI. Public Comment

Citizen Participation Plan

Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment or abbreviated plan.
<p>Response:</p> <p>This NSP3 application is submitted as a substantial amendment to the District's Approved FY2011 Action Plan. Procedures for citizen participation, as described in the District's current 2010-2015 Consolidated Plan are as follows:</p> <p>"DHCD shall provide citizens with reasonable notice of and opportunity to comment on such proposed changes in its use of funds. Notification shall be through local media sources, flyers and other forms of communication. DHCD shall consider comments and, if deemed appropriate, modify the plan to include proposed changes. DHCD shall make available to the public, and shall submit to HUD, a description of any changes adopted. Additionally DHCD will provide a period, not less than (30) days, to receive comments, written or oral, on the substantial amendment prior to its adoption. A list of comments and views will be attached to the substantial amendment of the Consolidated Plan".</p> <p>In accordance with the alternative requirements set forth by the Secretary of HUD to expedite the use of</p>

NSP3 funds, DHCD will be using a 15 day comment period. This replaces the 30 day period referred to in the District's current 2010-2015 Consolidated Plan.

Accordingly, DHCD held a public hearing on Tuesday, February 15, 2011, to discuss the proposed uses of NSP3 funds. The hearing was held at the DC Department of Housing and Community Development, 1800 Martin Luther King Jr., Avenue, SE, 1st floor conference room from 1:00 pm – 3:00 pm.

DHCD submitted a public notice of the procedures for citizen participation in the local media, and posted a notice on our website. A summary of public comments is attached as Appendix C. The public comment period began Tuesday, February 1, 2011 and ended Tuesday, February 15, 2011. Comments and responses were made available prior to submission of the final substantial amendment. A copy of the NSP3 Public Notice is included as Appendix B.

Summary of Public Comments Received.

At the end of the public review period, DHCD received four public comments on the NSP3 substantial amendment. A summary of these comments from witnesses during the public hearing regarding the programs covered in the substantial amendment are included as Appendix C.

VII. NSP Information by Activity

Activity Number 1	
Activity Name	Property Acquisition
Uses	Select all that apply:
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms
	<input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/> Eligible Use C: Land Banking
	<input checked="" type="checkbox"/> Eligible Use D: Demolition
<input type="checkbox"/> Eligible Use E: Redevelopment	
CDBG Activity or Activities	<ul style="list-style-type: none"> • 24 CFR 570.201 (a) acquisition, (b) dispositions, (d) Clearance for blighted structures only • 24 CFR 570.202 eligible rehabilitation and preservation activities for homes and other residential properties
National Objective	Low Moderate Middle Income Housing (LMMH)
Activity Description	<p>This activity will address blighted and disinvested communities by acquiring and disposing of vacant properties to developers, maintaining or demolishing abandoned properties, or rehabilitating foreclosed properties. This will assist neighboring property owners in maintaining property values often impacted by blighted properties, particularly in communities with high concentrations of vacant units like the targeted areas.</p> <p>Using vacant property lists developed at the DC Department of Consumer and Regulatory Affairs, HUD's foreclosed properties list, and REO lists developed in partnership with a national non-profit organization, DHCD through our Property Acquisition and Disposition Division will acquire abandoned, vacant and/or REO properties that are in need of renovation or otherwise troubled properties in the targeted areas. These properties will either be immediately sold to households at or below the required 120% of Area Median Income.</p>

	<p>In order to meet the Low Income Set Aside target, DHCD plans to allocate at least 25% of the funds for this activity to provide housing for households within the target areas whose incomes do not exceed 50% of area median income. While it is believed that this amount will help to accomplish this goal, DHCD reserves the right to amend this Action Plan to make certain that this high-priority goal is achieved.</p>	
Location Description	<p>DHCD will prioritize the expenditure of NSP3 funds in its identified Areas of Greatest Need, described in Appendix A, and we will place emphasis on identifying projects in high priority neighborhoods within these wards. Our goal will be to expend all NSP dollars within these identified areas. Within the target area, we will seek to identify 'clusters of opportunity' in which a targeted investment of NSP3 funds in a grouping of foreclosed, abandoned or blighted properties can become the catalyst for reversal of neighborhood decline.</p> <p>Funds utilized under this activity will be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, the highest percentage of homes financed by a sub-prime mortgage related loans, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures.</p>	
Budget	Source of Funding	Dollar Amount
	NSP3	\$750,000
	Low Income Set-Aside	\$250,000
Total Budget for Activity		\$1,000,000
Performance Measures	Income Group Projected	# Beneficiaries
	0-50%	2
	51-80%	5
	81-120%	3
Projected Start Date	5/1/2011	
Projected End Date	5/1/2014	
Responsible Organization	Name	DC Department of Housing and Community Development
	Location	1800 Martin Luther King Jr. Avenue Washington, DC 20020
	Administrator Contact Info	Alan R Bray 202-442-7273 Alan.bray@dc.gov

Activity Number 2	
Activity Name	Multi-Family Rehabilitation Financing
Use	Select all that apply:

	<input checked="" type="checkbox"/> Eligible Use A: Financing Mechanisms <input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation <input type="checkbox"/> Eligible Use C: Land Banking <input type="checkbox"/> Eligible Use D: Demolition <input checked="" type="checkbox"/> Eligible Use E: Redevelopment
CDBG Activity or Activities	<ul style="list-style-type: none"> • 24 CFR 570.201 (a) acquisition, (b) dispositions, (c) public facilities and improvements, (i) relocation • 24 CFR 570.202 eligible rehabilitation and preservation activities for homes and other residential properties • As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206
National Objective	Low Moderate Middle Income Housing (LMMH)
Activity Description	<p>This activity will support new multi-family projects in targeted areas eligible under NSP3. The funds will be dispersed either through the revolving loan fund or through a rolling application process to reduce the time required for projects that are ready to proceed. Further, the funds will be loaned at a low interest rate and will provide gap financing.</p> <p>Given the demand for rehabilitation financing and also the existing pipeline of HUD foreclosures, the Department is confident that it can expend the funds within the required three years. By directing funds to the Development Finance Division, DHCD hopes to assist with the rehabilitation of buildings that are vacant or foreclosed but that are already acquired through other financial means. DHCD is aware of several properties throughout the target area that will qualify for these funds. While those currently in the Department’s pipeline that qualify for NSP3 funds will be addressed through these funds, the Department did not pre-select outside projects for this application.</p> <p>In order to meet the Low Income Set Aside target, DHCD plans to allocate at least 25% of the funds for this activity to achieve the goal to provide housing for individuals or families within the target areas whose incomes do not exceed 50% of area median income. While it is believed that this amount will help to accomplish this goal, DHCD reserves the right to amend this Action Plan to make certain that this high-priority goal is achieved.</p>
Location Description	<p>DHCD will prioritize the expenditure of NSP3 funds in its identified Areas of Greatest Need, described in Appendix A, and we will place emphasis on identifying projects in high priority neighborhoods within these Wards. Our goal will be to expend all NSP dollars within these identified areas. Within the target area, we will seek to identify ‘clusters of opportunity’ in which a targeted investment of NSP3 funds in a grouping of foreclosed, abandoned or blighted properties can become the catalyst for reversal of neighborhood decline.</p> <p>Funds utilized under this activity will 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 sub-prime mortgage related loans, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures.</p>

Budget	Source of Funding	Dollar Amount
	NSP3	\$1,225,000
	Low Income Set-Aside	\$575,000
Total Budget for Activity		\$1,800,000
Performance Measures	Income Group Projected	# Beneficiaries
	0-50%	7
	51-80%	8
	81-120%	8
Projected Start Date	5/1/2011	
Projected End Date	5/1/2014	
Responsible Organization	Name	DC Department of Housing and Community Development
	Location	1800 Martin Luther King Jr. Avenue Washington, DC 20020
	Administrator Contact Info	Alan R Bray 202-442-7273 Alan.bray@dc.gov

Activity Number 3	
Activity Name	Home Purchase Assistance
Use	Select all that apply:
	<input checked="" type="checkbox"/> Eligible Use A: Financing Mechanisms
	<input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/> Eligible Use C: Land Banking
	<input type="checkbox"/> Eligible Use D: Demolition
<input checked="" type="checkbox"/> Eligible Use E: Redevelopment	
CDBG Activity or Activities	<ul style="list-style-type: none"> • 24 CFR 570.201 (a) acquisition, (b) dispositions, (e) public services for housing counseling, but only to the extent that counseling beneficiaries are limited to prospective purchasers or tenants of the redeveloped properties, (i) relocation, (n) direct homeownership assistance • 24 CFR 570.202 eligible rehabilitation and preservation activities for homes and other residential properties • 24 CFR 570.204 Community based development organizations.
National Objective	Low Moderate Middle Income Housing (LMMH)
Activity Description	<p>This activity will use NSP3 funds to enhance the Home Purchase Assistance Program (HPAP) in the targeted areas. DHCD proposes two primary enhancements to the existing HPAP program. First, to encourage households to purchase vacant and foreclosed properties in the targeted neighborhoods, DHCD will add up to \$30,000 for households up to 110% of AMI on top of the existing HPAP benefit, resulting in up to \$70,000 in direct homeownership assistance.</p> <p>Additionally, understanding that rehabilitation is often a barrier in purchasing foreclosed homes, homebuyers in these communities will only be allowed to combine HPAP with a HUD 203K loan for repairs to these homes.</p>

	<p>Through HPAP, the Department will build on the existing housing market and encourage the purchase by new residents of foreclosed and vacant units. Further, this will create the pipeline of buyers for the units developed through the multi-family development and single family redevelopment of vacant and foreclosed units.</p> <p>In order to meet the Low Income Set Aside target, DHCD plans to allocate at least 25% of the funds for this activity to achieve the goal to provide housing for individuals or families within the target areas whose incomes do not exceed 50% of area median income. While it is believed that this amount will help to accomplish this goal, DHCD reserves the right to amend this Action Plan to make certain that this highest-priority goal is achieved.</p>	
Location Description	<p>DHCD will prioritize the expenditure of NSP3 funds in its identified Areas of Greatest Need, described in Appendix A, and we will place emphasis on identifying projects in high priority neighborhoods within these Wards. Our goal will be to expend all NSP dollars within these identified areas. Within the target area, we will seek to identify ‘clusters of opportunity’ in which a targeted investment of NSP3 funds in a grouping of foreclosed, abandoned or blighted properties can become the catalyst for reversal of neighborhood decline.</p> <p>Funds utilized under this activity will 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 sub-prime mortgage related loans, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures.</p>	
Budget	Source of Funding	Dollar Amount
	NSP3	\$1,275,000
	Low Income Set-Aside	\$425,000
Total Budget for Activity		\$1,700,000
Performance Measures	Income Group Projected # Beneficiaries	
	0-50% 8	
	51-80% 10	
81-110% 6		
Projected Start Date	5/1/2011	
Projected End Date	5/1/2014	
Responsible Organization	Name	DC Department of Housing and Community Development
	Location	1800 Martin Luther King Jr. Avenue Washington, DC 20020
	Administrator Contact Info	Alan R Bray 202-442-7273 Alan.bray@dc.gov

Activity Number 4		
Activity Name	Administration	
Use	Select all that apply:	
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/>	Eligible Use C: Land Banking
	<input checked="" type="checkbox"/>	Eligible Use D: Demolition
<input checked="" type="checkbox"/>	Eligible Use E: Redevelopment	
CDBG Activity or Activities	Administration – General Management and Oversight as allowed under 24 CFR 570.206	
National Objective	N/A	
Activity Description	DHCD will administer all aspects of the NSP3 funded programs and activities including all property acquisition, rehabilitation, performance monitoring, maintenance of program progress, record keeping and accounting, and disbursements of NSP3 funds, NSP3 program modifications, as appropriate, and reporting tasks as required by HUD as conditions of the NSP3 grant.	
Location Description	District of Columbia Department of Housing and Community Development 1800 Martin Luther King Jr. Avenue Washington, DC 20020	
Budget	Source of Funding	Dollar Amount
	NSP3	\$500,000
	(Other funding source)	\$0
Total Budget for Activity		\$500,000
Performance Measures	ADMINISTRATIVE EXPENSES RELATED TO THE NSP PROGRAM.	
Projected Start Date	5/1/2011	
Projected End Date	5/1/2014	
Responsible Organization	Name	DC Department of Housing and Community Development
	Location	1800 Martin Luther King Jr. Avenue Washington, DC 20020
	Administrator Contact Info	Alan R Bray 202-442-7273 Alan.bray@dc.gov

VIII. Certifications

Certifications for State and Entitlement Communities

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

(2) **Anti-displacement and relocation plan.** The applicant certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan.

(3) **Anti-lobbying.** The jurisdiction must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(4) **Authority of jurisdiction.** The jurisdiction certifies that the consolidated plan or abbreviated plan, as applicable, is authorized under state and local law (as applicable) and that the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.

(5) **Consistency with plan.** The jurisdiction certifies that the housing activities to be undertaken with NSP funds are consistent with its consolidated plan or abbreviated plan, as applicable.

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

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

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

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

(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.

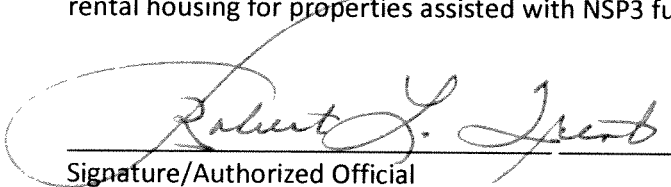
(13) **Compliance with anti-discrimination laws.** The jurisdiction certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

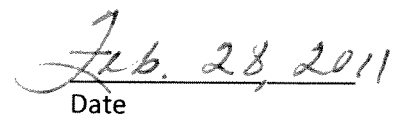
(14) **Compliance with lead-based paint procedures.** The jurisdiction certifies that its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(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.

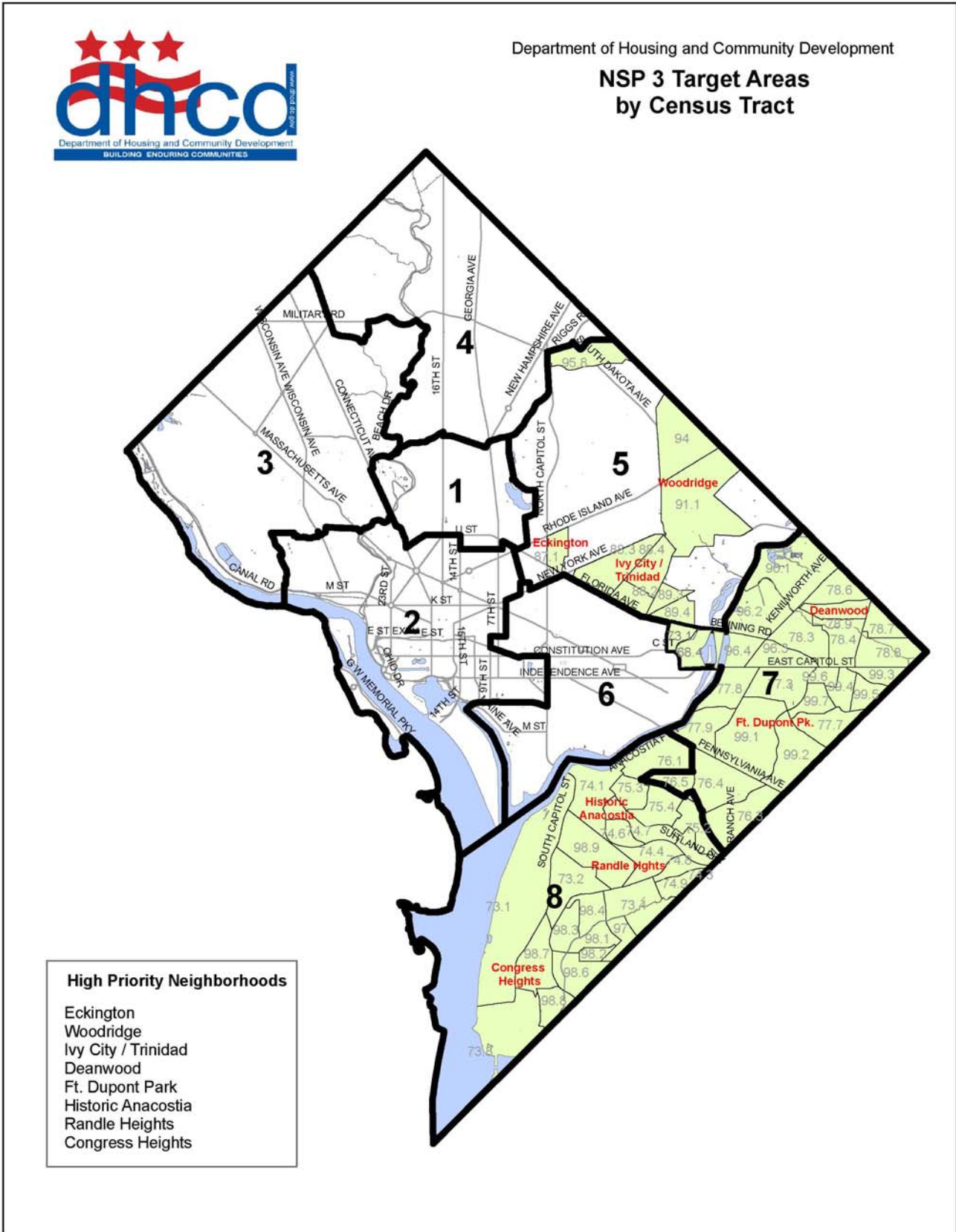
(17) **Development of affordable rental housing.** The jurisdiction certifies that it will abide by the procedures described in its NSP3 Abbreviated Plan to create preferences for the development of affordable rental housing for properties assisted with NSP3 funds.


Signature/Authorized Official


Date

Interim Director, DC DHCD
Title

Appendix A: NSP3 Target Areas



Department of Housing and Community Development

NSP 3 Target Areas by Census Tract

- High Priority Neighborhoods**
- Eckington
 - Woodridge
 - Ivy City / Trinidad
 - Deanwood
 - Ft. Dupont Park
 - Historic Anacostia
 - Randle Heights
 - Congress Heights

Neighborhood ID: 1499328

NSP3 Planning Data

Grantee ID: 1199990N

Grantee State: DC

Grantee Name: DC NONENTITLEMENT

Grantee Address: Washington DC 20020

Grantee Email: alan.bray@dc.gov

Neighborhood Name: **Part of Ward 5**

Date: 2011-02-17 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 14.75

State Minimum Threshold NSP3 Score: 14

Total Housing Units in Neighborhood: 13,704

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 86.8

Percent Persons Less than 80% AMI: 66.28

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 13,796

Residential Addresses Vacant 90 or more days (USPS, March 2010): 1,123
Residential Addresses NoStat (USPS, March 2010): 661

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 5,465
Percent of Housing Units with a high cost mortgage between 2004 and 2007: 31.32
Percent of Housing Units 90 or more days delinquent or in foreclosure: 12.9
Number of Foreclosure Starts in past year: 366
Number of Housing Units Real Estate Owned July 2009 to June 2010: 57

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 73

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -21.4
Place (if place over 20,000) or county unemployment rate June 2005: 7
Place (if place over 20,000) or county unemployment rate June 2010: 9.6
Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.

5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-76.957684 38.930838 -76.965408 38.924962 -76.955109 38.917884 -76.964722 38.917349 -76.971931
38.912407 -76.976223 38.912675 -76.978970 38.906931 -76.975365 38.905595 -76.970215 38.905595
-76.970730 38.897980 -76.983604 38.900118 -77.009182 38.910938 -77.009525 38.916682 -77.003517
38.918952 -77.003860 38.912675 -77.005405 38.909469 -76.978970 38.917616 -76.980858 38.943656
-76.977768 38.946326 -76.992531 38.957673 -76.998024 38.956739 -77.000084 38.954870 -77.002316
38.956472 -77.009182 38.954470 -77.009010 38.952067 -77.000427 38.946994 -77.001629 38.950465
-76.995964 38.951933 -76.989613 38.952067 -76.985493 38.952334 -76.963348 38.934977 -76.955967
38.929369 -76.961117 38.933375

Blocks Comprising Target Neighborhood

110010087014000, 110010087014001, 110010087014002, 110010087014003, 110010087014004,
110010087014005, 110010087014006, 110010087014007, 110010087014008, 110010087014009,
110010087014010, 110010087014011, 110010087015000, 110010087015001, 110010087015002,
110010087015003, 110010087015004, 110010087015005, 110010087015006, 110010087015007,
110010087015008, 110010087015009, 110010087015010, 110010087015011, 110010087015012,
110010087023008, 110010087023009, 110010088021000, 110010088021001, 110010088021002,
110010088021003, 110010088021004, 110010088021005, 110010088022000, 110010088022001,
110010088022002, 110010088022003, 110010088022004, 110010088022005, 110010088022006,
110010088022007, 110010088022008, 110010088022009, 110010088022010, 110010088022011,
110010088023000, 110010088023001, 110010088023002, 110010088023003, 110010088023004,
110010088023005, 110010088024000, 110010088024001, 110010088024002, 110010088024003,
110010088024004, 110010088024005, 110010088035000, 110010088035001, 110010088035002,
110010088035003, 110010088035004, 110010088035005, 110010088035006, 110010088035007,
110010088035008, 110010088035009, 110010088035010, 110010088035011, 110010088035012,
110010088036000, 110010088036001, 110010088036002, 110010088036003, 110010088036004,
110010088036005, 110010088036006, 110010088036007, 110010088036008, 110010088036009,
110010088036010, 110010088036011, 110010088036012, 110010088036013, 110010088041000,
110010088041001, 110010088041002, 110010088041003, 110010088041004, 110010088041005,
110010088041006, 110010088041007, 110010088041008, 110010088041009, 110010088041010,
110010088042000, 110010088042001, 110010088042002, 110010088042003, 110010088042004,
110010088042005, 110010088043000, 110010088043001, 110010088043002, 110010088043003,
110010088043004, 110010088043005, 110010088043006, 110010089031000, 110010089031001,
110010089031002, 110010089031003, 110010089031004, 110010089031005, 110010089031006,
110010089031007, 110010089031008, 110010089031009, 110010089031010, 110010089031011,
110010089031012, 110010089031013, 110010089031014, 110010089031015, 110010089031016,
110010089031017, 110010089031018, 110010089031019, 110010089031020, 110010089031021,
110010089031022, 110010089041000, 110010089041001, 110010089041002, 110010089041003,
110010089041004, 110010089041005, 110010089041006, 110010089041007, 110010089041008,
110010089042000, 110010089042001, 110010089042002, 110010089042003, 110010089042004,
110010089042005, 110010089042006, 110010089051005, 110010091011000, 110010091011001,
110010091011002, 110010091011003, 110010091011004, 110010091011005, 110010091011006,
110010091011007, 110010091011008, 110010091011009, 110010091011010, 110010091011011,
110010091011012, 110010091011013, 110010091011014, 110010091011015, 110010091011016,
110010091011017, 110010091011018, 110010091011019, 110010091011020, 110010091011021,

Neighborhood ID: 3022583

NSP3 Planning Data

Grantee ID: 1199990N

Grantee State: DC

Grantee Name: DC NONENTITLEMENT

Grantee Address: Washington DC 20020

Grantee Email: alan.bray@dc.gov

Neighborhood Name: **Ward 7**

Date: 2011-02-15 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 14

State Minimum Threshold NSP3 Score: 14

Total Housing Units in Neighborhood: 35,203

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 89.29

Percent Persons Less than 80% AMI: 68.02

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current or potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 35,233
Residential Addresses Vacant 90 or more days (USPS, March 2010): 2,362
Residential Addresses NoStat (USPS, March 2010): 1,848

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 11,117
Percent of Housing Units with a high cost mortgage between 2004 and 2007: 30.29
Percent of Housing Units 90 or more days delinquent or in foreclosure: 12.36
Number of Foreclosure Starts in past year: 722
Number of Housing Units Real Estate Owned July 2009 to June 2010: 111

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 146

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -21.4
Place (if place over 20,000) or county unemployment rate June 2005: 7
Place (if place over 20,000) or county unemployment rate June 2010: 9.6
Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.

4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-76.909962 38.892903 -76.961975 38.852275 -76.968498 38.860429 -76.983948 38.866845 -76.980686
 38.868315 -76.971245 38.868048 -76.971073 38.873661 -76.977940 38.877002 -76.971416 38.880343
 -76.963177 38.889964 -76.974506 38.890498 -76.977425 38.893839 -76.976566 38.899049 -76.961632
 38.896644 -76.957684 38.906530 -76.952534 38.914945 -76.944294 38.916281 -76.941891 38.918819

Blocks Comprising Target Neighborhood

110010068041996, 110010068041997, 110010068041999, 110010068041000, 110010068041003,
 110010068041004, 110010068041005, 110010068041015, 110010075021000, 110010075043000,
 110010076013005, 110010076031000, 110010076031001, 110010076031002, 110010076031003,
 110010076031004, 110010076031005, 110010076031006, 110010076033000, 110010076033001,
 110010076033002, 110010076033003, 110010076033004, 110010076033005, 110010076033006,
 110010076033007, 110010076033008, 110010076033009, 110010076033010, 110010076033011,
 110010076033012, 110010076034000, 110010076034001, 110010076034002, 110010076034005,
 110010076034006, 110010076034007, 110010076034008, 110010076035000, 110010076035001,
 110010076035002, 110010076035003, 110010076035004, 110010076035005, 110010076035006,
 110010076035007, 110010076035008, 110010076035009, 110010076035010, 110010076035011,
 110010076041000, 110010076041001, 110010076041002, 110010076041003, 110010076041004,
 110010076041005, 110010076041006, 110010076041007, 110010076043000, 110010076043001,
 110010076043002, 110010076043003, 110010076043004, 110010076043005, 110010076043006,
 110010076043007, 110010076043008, 110010076043009, 110010076043010, 110010076043011,
 110010076043012, 110010076045000, 110010076045001, 110010076045002, 110010076045003,
 110010076045004, 110010076045005, 110010076045006, 110010076045007, 110010076045008,
 110010076045009, 110010076045010, 110010076045011, 110010076045012, 110010076045013,
 110010076045014, 110010076045015, 110010076045016, 110010076045017, 110010076045018,
 110010076045019, 110010076045020, 110010076045021, 110010076045022, 110010076045023,
 110010076045024, 110010076045025, 110010076045026, 110010076045027, 110010076045028,
 110010076057000, 110010076057001, 110010076057002, 110010076057003, 110010076057004,
 110010076057005, 110010076057006, 110010076057007, 110010076057008, 110010076057009,
 110010076057010, 110010076057011, 110010076057012, 110010076057014, 110010076057015,
 110010077031000, 110010077031001, 110010077031002, 110010077031003, 110010077031004,
 110010077031005, 110010077031006, 110010077032000, 110010077032001, 110010077032002,
 110010077032003, 110010077032004, 110010077032005, 110010077033000, 110010077033001,
 110010077033002, 110010077033003, 110010077033004, 110010077033005, 110010077033006,
 110010077033007, 110010077071000, 110010077071001, 110010077071002, 110010077071003,
 110010077071004, 110010077071005, 110010077071006, 110010077071007, 110010077071008,
 110010077071009, 110010077072000, 110010077072001, 110010077072002, 110010077072003,
 110010077072004, 110010077072005, 110010077072006, 110010077072007, 110010077072008,
 110010077072009, 110010077072010, 110010077072011, 110010077072012, 110010077073000,
 110010077073001, 110010077073002, 110010077073003, 110010077073004, 110010077073005,
 110010077073006, 110010077073007, 110010077073008, 110010077073009, 110010077073010,

110010099035004, 110010099035005, 110010099035006, 110010099035007, 110010099043000,
110010099043001, 110010099044000, 110010099044001, 110010099044002, 110010099044003,
110010099044004, 110010099044005, 110010099044006, 110010099044007, 110010099046000,
110010099046001, 110010099046002, 110010099046003, 110010099046004, 110010099046005,
110010099046006, 110010099046007, 110010099046008, 110010099046009, 110010099046010,
110010099052000, 110010099052001, 110010099052002, 110010099052004, 110010099052005,
110010099052006, 110010099053000, 110010099053001, 110010099053002, 110010099053003,
110010099053004, 110010099053005, 110010099053006, 110010099053007, 110010099054000,
110010099054001, 110010099054002, 110010099054003, 110010099054004, 110010099054005,
110010099054006, 110010099054007, 110010099054008, 110010099054009, 110010099054010,
110010099054011, 110010099054012, 110010099061000, 110010099061001, 110010099061002,
110010099061003, 110010099061004, 110010099061005, 110010099061006, 110010099061007,
110010099061008, 110010099072000, 110010099072001, 110010099072002, 110010099072003,
110010099072004, 110010099072005, 110010099072006, 110010099072007, 110010099072008,
110010099072009, 110010099072010, 110010099072011, 110010099072012,

Neighborhood ID: 1825622

NSP3 Planning Data

Grantee ID: 1199990N

Grantee State: DC

Grantee Name: DC NONENTITLEMENT

Grantee Address: Washington DC 20020

Grantee Email: alan.bray@dc.gov

Neighborhood Name: **Ward 8**

Date: 2011-02-15 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 13.73

State Minimum Threshold NSP3 Score: 14

Total Housing Units in Neighborhood: 32,302

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 93.39

Percent Persons Less than 80% AMI: 77.28

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 31,653
Residential Addresses Vacant 90 or more days (USPS, March 2010): 1,701
Residential Addresses NoStat (USPS, March 2010): 2,150

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 6,955
Percent of Housing Units with a high cost mortgage between 2004 and 2007: 31.42
Percent of Housing Units 90 or more days delinquent or in foreclosure: 12.41
Number of Foreclosure Starts in past year: 455
Number of Housing Units Real Estate Owned July 2009 to June 2010: 69

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 96

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -21.4
Place (if place over 20,000) or county unemployment rate June 2005: 7
Place (if place over 20,000) or county unemployment rate June 2010: 9.6
Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.

4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-76.961975 38.852275 -76.968670 38.860697 -76.984119 38.866578 -76.980858 38.868449 -76.971416
 38.868182 -76.970901 38.873929 -76.978455 38.877136 -76.993217 38.870053 -77.003860 38.870855
 -77.009182 38.863370 -77.031498 38.850537 -77.032700 38.841178 -77.038536 38.792627 -76.997681
 38.824330

Blocks Comprising Target Neighborhood

110010073011997, 110010073011999, 110010073011000, 110010073011001, 110010073011002,
 110010073011003, 110010073011004, 110010073011005, 110010073011006, 110010073011007,
 110010073011008, 110010073011009, 110010073011010, 110010073011011, 110010073021000,
 110010073021001, 110010073021002, 110010073021003, 110010073021004, 110010073021005,
 110010073021006, 110010073021007, 110010073021008, 110010073021009, 110010073021010,
 110010073021011, 110010073021012, 110010073021013, 110010073022000, 110010073022001,
 110010073022002, 110010073022003, 110010073022004, 110010073022005, 110010073022006,
 110010073022007, 110010073022008, 110010073022009, 110010073022010, 110010073022011,
 110010073022012, 110010073022013, 110010073022014, 110010073022015, 110010073022016,
 110010073022017, 110010073022018, 110010073022019, 110010073022020, 110010073022021,
 110010073041000, 110010073041001, 110010073041002, 110010073041003, 110010073041004,
 110010073041005, 110010073041006, 110010073041007, 110010073041008, 110010073042000,
 110010073042001, 110010073042002, 110010073042003, 110010073042004, 110010073042005,
 110010073042006, 110010073043000, 110010073043001, 110010073043002, 110010073043003,
 110010073043004, 110010073043005, 110010073081009, 110010073081998, 110010073081999,
 110010073081000, 110010073081001, 110010073081002, 110010073081003, 110010073081004,
 110010073081005, 110010073081006, 110010073081007, 110010073081008, 110010074011999,
 110010074011000, 110010074011001, 110010074011002, 110010074011003, 110010074011004,
 110010074011005, 110010074011006, 110010074011007, 110010074011008, 110010074011009,
 110010074011010, 110010074011011, 110010074011012, 110010074011013, 110010074011014,
 110010074011015, 110010074011016, 110010074011017, 110010074011018, 110010074011019,
 110010074011020, 110010074011021, 110010074011022, 110010074012000, 110010074012001,
 110010074012002, 110010074012003, 110010074031000, 110010074031001, 110010074031002,
 110010074031003, 110010074031004, 110010074031005, 110010074031006, 110010074041000,
 110010074041001, 110010074041002, 110010074041003, 110010074041004, 110010074041005,
 110010074042000, 110010074042001, 110010074042002, 110010074042003, 110010074042004,
 110010074042005, 110010074042006, 110010074042007, 110010074064000, 110010074064001,
 110010074064002, 110010074064003, 110010074071000, 110010074071001, 110010074071002,
 110010074071003, 110010074071004, 110010074071005, 110010074071006, 110010074071007,
 110010074071008, 110010074071009, 110010074071010, 110010074075000, 110010074075001,
 110010074075002, 110010074075003, 110010074075004, 110010074075005, 110010074075006,
 110010074075007, 110010074075008, 110010074075009, 110010074081000, 110010074081001,
 110010074081002, 110010074081003, 110010074081004, 110010074081005, 110010074081006,
 110010074081007, 110010074081008, 110010074081009, 110010074081010, 110010074081011,

110010098091008, 110010098091009, 110010098091010, 110010098091011, 110010098091012,
110010098091013, 110010098091014,

Appendix B: NSP3 Public Notice

PUBLIC HEARING NOTICE **on the** **PROPOSED USES OF THE FEDERAL NEIGHBORHOOD STABILIZATION PROGRAM** **ROUND THREE (NSP3) IN THE DISTRICT OF COLUMBIA**

Robert L. Trent, Interim Director of the D.C. Department of Housing and Community Development (DHCD or the Department) will hold a Public Hearing on Tuesday, February 15, 2011, to discuss the District's proposed uses of Federal Neighborhood Stabilization Program Round Three (NSP3) Funds.

DHCD has proposed a Substantial Amendment to the FY2011 Consolidated Action Plan. The Substantial Amendment addresses how the District will manage the third round of Neighborhood Stabilization Program ("NSP3") funding from the U.S. Department of Housing and Urban Development ("HUD"). The amount of the NSP3 funding is **\$5,000,000**. In preparation for the submission of the Substantial Amendment to the FY2011 Action Plan to HUD, DHCD is soliciting public comment on the District's proposed use to NSP3 funds to meet the District's foreclosure and abandoned and vacant property needs.

NSP3 funds may be used to:

1. Establish financing mechanisms for purchase and redevelopment of foreclosed homes and residential properties;
2. Purchase and rehabilitate homes and residential properties abandoned, vacant, or foreclosed;
3. Establish land banks for foreclosed homes;
4. Demolish blighted structures;
5. Redevelop demolished or vacant properties.

The hearing is scheduled for **Tuesday, February 15, 2011**, and will be held at the DC Department of Housing and Community Development, 1800 Martin Luther King Jr., Avenue, SE, 1st floor conference room from 1:00 pm – 3:00 pm. If you would like to testify, you are encouraged to register in advance either by e-mail at DHCDEVENTS@dc.gov or by calling (202) 442-7251. Please provide your name, address, telephone number, and organizational affiliation, if any.

Telecommunications Device for the Deaf (TDD) relay service is available by calling (800) 201-7165. A sign language interpreter will be provided upon request by calling (202) 442-7251, five days prior to the hearing date.

Residents who require language interpretation should specify which language (Spanish, Vietnamese, Chinese-Mandarin/Cantonese, Amharic or French). Interpretation services will be provided to pre-registered persons only. Deadline for requesting services of an interpreter is five days prior to the hearing date. Bilingual staff will provide services on an availability basis to walk-ins without registration.

The draft amendment for the NSP3 funds will be available on the Department's website as of January 31, 2011, at www.dhcd.dc.gov and for public review at DHCD, located at 1800 Martin Luther King Jr. Avenue, SE, Monday-Friday, 8:15 a.m.-4:45 p.m., in the lobby. The public review period ends on Tuesday, February 15, 2011. Written comments are encouraged and may be mailed to the above address. If you have questions or prefer to provide comments by telephone, please call 202-442-7200 during the public review period.

Appendix C: Summary of Public Comments

Public Hearing 2/15/2011

The NSP3 Substantial Amendment was held on Tuesday February 15, 2011. The hearings was properly noticed, including publication in *The DC Register* with at least two weeks' advance notice, and interpretation services were made available. The hearing was held at a location accessible via public transportation.

Only 5 people attended and 3 people testified. A large majority of the comments centered on the use of NSP3 funds in Historic Anacostia and the need to expand the target area. Senior staff responded to their comments and spoke with individuals following the hearing. The hearing successfully provided yet another forum for agency staff to listen to residents about the impacts of the Neighborhood Stabilization Program on the community. The agency received one set of written comments regarding the use of NSP3 funds in Ward 7.

Below is a brief summary of comments received at the NSP3 Substantial Amendment Hearings held at the Housing Resource Center.

Danielle Burs, Policy Officer, Coalition for Non-Profit Housing and Economic Development:

In part, Ms. Burs testimony pointed out the need for funding to non-profit developers for the acquisition and rehabilitation of foreclosed properties and indicated that the home buyer demand for NSP3 funding dedicated to HPAP "E" has been lower than expected.

Shiv Newaldass, Director of Advocacy, Manna, Inc.:

Mr. Newaldass suggested that instead of utilizing \$500,000 for activity 3 and enhancement to HPAP, all funding should be focused on property acquisition and disposition. Home Purchase Assistance Program is a much needed resource to aid low- and moderate-income buyers but to adequately address the specific problem, getting houses purchased and rehabbed, is a much better and more efficient use of limited funds. Mr. Newaldass pointed out the various obstacles to be encountered by low- and moderate-income buyers of foreclosed properties, the long term resale restrictions attached to NSP funding, and herald the HPAP Program and its multi-layered time sensitive structure that has a low foreclosure rate.

Gerry Joseph, Joseph Development:

Clarification was given on the use of funds for rental development and rent-to-own and that NSP3 were to be used for vacant properties and foreclosed properties in Wards 5, 7, and 8.

Sylvia C. Brown, ANC 7 Commissioner:

Mrs. Brown suggested that NSP funds in Deanwood should go toward an initiative to develop cooperative housing in the small apartment communities that dot the neighborhood.

Appendix D: Application for Federal Assistance (SF 424)

Application for Federal Assistance SF-424		Version 02
*1. Type of Submission: <input type="checkbox"/> Pre-application <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	*2. Type of Application <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate letter(s) *Other (Specify) _____
3. Date Received: March 1, 2011	4. Applicant Identifier: 53-6001131	
5a. Federal Entity Identifier:		*5b. Federal Award Identifier:
State Use Only:		
6. Date Received by State:	7. State Application Identifier:	
8. APPLICANT INFORMATION:		
*a. Legal Name: District of Columbia		
*b. Employer/Taxpayer Identification Number (EIN/TIN): 53-6001131		*c. Organizational DUNS: 001367031
d. Address:		
*Street 1:	1800 Martin Luther King Jr. Ave., SE	
Street 2:	Suite 300	
*City:	Washington	
*State:	D.C.	
*Country:		
*Zip / Postal Code	20020	
e. Organizational Unit:		
Department Name: Department of Housing & Community Development		Division Name: Office of the Director
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: Mr.	*First Name: Alan	
Middle Name: R.		
*Last Name: Bray		
Title:	Resource Management Specialist	
Organizational Affiliation:	Employee	
*Telephone Number: 202-442-7273	Fax Number: 202-442-9280	
*Email: Alan.Bray@dc.gov		
*9. Type of Applicant 1: Select Applicant Type:		

D. Special District Government						
*Other (Specify)						
*10 Name of Federal Agency: U. S. Department of Housing & Urban Development						
11. Catalog of Federal Domestic Assistance Number: FDAN: 14-218 CFDA Title: Neighborhood Stabilization Program (NSP) – Round 3						
*12 Funding Opportunity Number: _____						
*Title: _____						
13. Competition Identification Number: _____						
Title: _____						
14. Areas Affected by Project (Cities, Counties, States, etc.): District of Columbia (portions of Ward 5, 7, and 8)						
*15. Descriptive Title of Applicant's Project:						
16. Congressional Districts Of: *a. Applicant: District of Columbia *b. Program/Project: DC - all						
17. Proposed Project: *a. Start Date: 05/01/2010 *b. End Date: 06/01/2013						
18. Estimated Funding (\$):						
	CDBG	HOME	ESG	HOPWA	NSP3	LOCAL
*a. Federal	0	0	0	0	\$5,000,000	0
*b. Applicant	0	0	0	0	0	0
*c. State	0	0	0	0	0	0
*d. Local	0	0	0	0	0	0
*e. Other(Fund balance)	0	0	0	0	0	0

*f. Program Income	0	0	0	0	0	0
*g. TOTAL	\$0	\$0	\$0	\$0	\$5,000,000	\$0

*19. Is Application Subject to Review By State Under Executive Order 12372 Process?
 a. This application was made available to the State under the Executive Order 12372 Process for review on _____
 b. Program is subject to E.O. 12372 but has not been selected by the State for review.
 c. Program is not covered by E. O. 12372

*20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)
 Yes No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001)
 ** I AGREE
 ** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions

Authorized Representative:

Prefix: Mr. *First Name: Robert
 Middle Name: L.
 *Last Name: Trent

*Title: Interim Director

*Telephone Number: 202-442-7200 Fax Number: 202-442-7078

* Email: Robert.Trent@dc.gov

*Signature of Authorized Representative:  *Date Signed: 2/28/2011

Appendix E: NSP3 Time Frame and Key Dates

Timeframe and Key Dates

Jan 1 – 10	DHCD reviews NSP3 guidance / HUD’s greatest needs data
Jan 6	NSP3 Training Webinar
Jan 17 – 21	Draft the NSP3 Substantial Amendment to 2011 Plan Identify Areas of Greatest Need HUD data / DHCD extension data Describe Distribution and Uses of Funds Complete Other Sections of Amendment
Jan 20	DRGR Training Webinar
Jan 31	Draft NSP3 Substantial Amendment put on DHCD’s website
Feb 1	NSP3 Problem-Solving Clinic in Washington, DC
Feb 1 – 15	Citizen Participation: Notice to Newspaper (Jan 26) Notice Published in Washington Times (Feb 1) Public Comment Period (Feb 1 - 15)
Feb 15	Public Hearing on NSP3
Feb 21 – 25	DHCD Final Edits in response to public comments
Feb 28	Subst. Amendment signed off by Director Substantial Amendment Submittal to HUD – (due on March 1 st)
April 15	Substantial Amendment Approval from HUD (Subject to change)
End April	HUD NSP3 Grant Agreement Signed by Director (Subject to change)
April 29	Award announcements made (posted on website) (Subject to change)
May 1	NSP3 Funds Available (Subject to change)
May 2013	50% of NSP3 funds expenditure deadline (Subject to change)
May 2014	100% of NSP3 funds expenditure deadline (Subject to change)



Vincent C. Gray, Mayor
Government of the District of Columbia

Victor L. Hoskins, Deputy Mayor for
Planning and Economic Development

Robert L. Trent, Interim Director
Department of Housing and Community Development

For further information, contact
Alan R. Bray, Resource Management Specialist
(202) 442-7273