

OFFICE OF HOUSING
1600 East Columbus Avenue
Springfield, MA 01103
Tel. (413) 787-6500
Fax (413) 787-6515



THE CITY OF
SPRINGFIELD, MASSACHUSETTS

November 26, 2008

Paula A. Newcomb
Community Planning and Development Representative
Office of Community Planning and Development
U.S. Department of Housing and Urban Development
Boston, MA 02222-1092

Re: City of Springfield, MA
NSP Substantial Amendment

Dear Ms. Newcomb:

Enclosed please find two copies of the City of Springfield's Neighborhood Stabilization Program (NSP) Substantial Amendment.

If you have any questions or require additional information, please do not hesitate to contact me.

Thank you for your assistance in this endeavor and we look forward to your comments on our plan.

Very truly yours

A handwritten signature in black ink, appearing to read 'Carl Dietz', written over a horizontal line.

Carl Dietz
Acting Director of Housing

CITY OF SPRINGFIELD, MA **NSP SUBSTANTIAL AMENDMENT**

Jurisdiction(s): Springfield, MA (<i>identify lead entity in case of joint agreements</i>)	NSP Contact Person: Carl Dietz Director, Office of Housing Address: 1600 E. Columbus Ave. Springfield, MA 01103
Jurisdiction Web Address: www.springfieldcityhall.com (<i>URL where NSP Substantial Amendment materials are posted</i>)	Telephone: (413) 787-6500 Fax: (413) 787-6515 Email: cdietz@springfieldcityhall.com

A. AREAS OF GREATEST NEED

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

HUD has developed a foreclosure and abandonment risk score to assist grantees in targeting the areas of greatest need within their jurisdictions. Grantees may wish to consult this data [<http://www.huduser.org/publications/commdevl/nsp.html>], in developing this section of the Substantial Amendment.

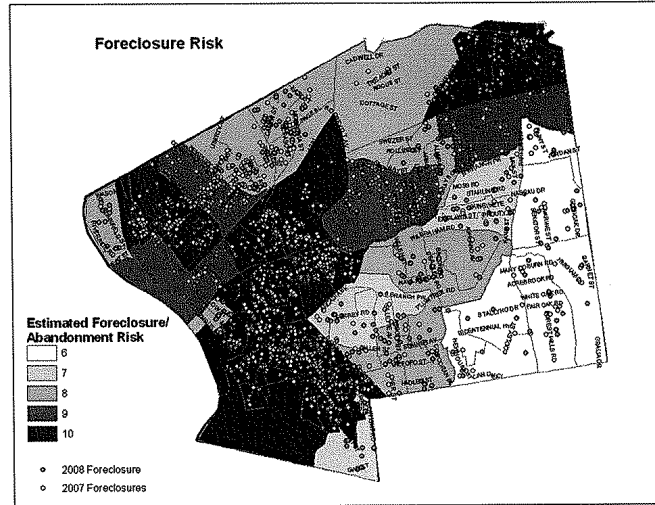
Response:

The City of Springfield has analyzed the HUD-provided data and local foreclosure statistics purchased from the Warren Group, combined with City data regarding condemned and vacant properties, to review city neighborhoods most in need of assistance through the Neighborhood Stabilization Program (NSP).

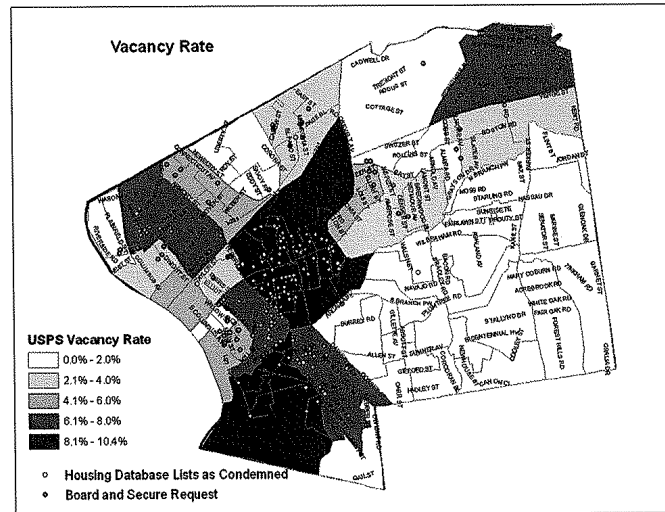
The City produced two maps to assist in determining target areas. Map 1 uses the HUD-produced measure of foreclosure risk, with an overlay of foreclosure filings for calendar year 2007 and the first ten months of 2008. This map shows the areas that are most at risk of foreclosure, and that have been experiencing the most foreclosure activity.

The data shows that Springfield has a high level of foreclosure activity, and high risk of future foreclosures, throughout multiple City neighborhoods. In order to understand which of these areas have the highest risk of blight and neighborhood destabilization, the City produced Map 2, which shows US Postal Service data regarding vacancy rates, with an overlay of properties that the City has condemned or has boarded up and secured.

Map 1



Map 2



The attached Table 1 provides the relevant data by Census Tract and Block.

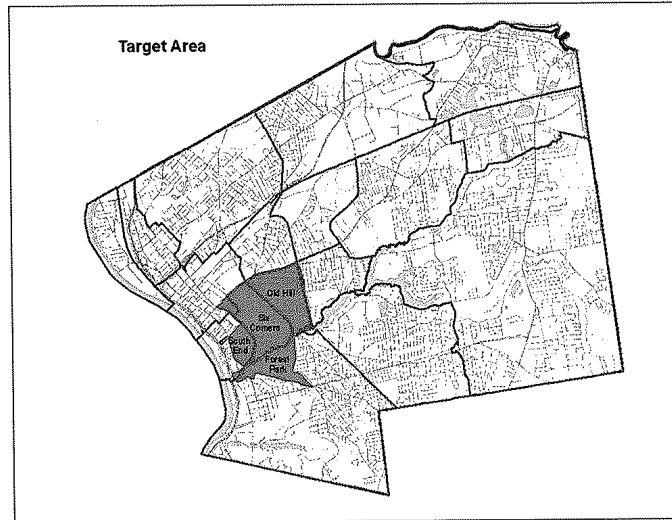
B. DISTRIBUTION AND USES OF FUNDS

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

Response:

The City of Springfield will target NSP funding to the following four contiguous neighborhoods: Old Hill, Six Corners, and portions of South End, and Forest Park. Map 3 identifies these neighborhoods. The target Census Tracts and Blocks are highlighted in the attached Table 1.

Map 3



The targeted neighborhoods are currently experiencing the greatest percentage of home foreclosures in the City; have very high rates of subprime loans (58% or more); and, due to the combination of subprime lending and neighborhood conditions, are expected to face a significant rise in the rate of home foreclosures (predicted 18-month underlying problem foreclosure rates of 12% or more). The City will continue to monitor local

foreclosure data and intends that the NSP Program be flexible to allow for timely reaction to any significant changes in the local housing market.

The City determined that, in order to have substantial neighborhood impact, it is necessary to target NSP funds to a concentrated area, and it has chosen that area based on analysis the above factors, as well as consideration of other ongoing City initiatives. These other initiatives include the State Street Corridor Revitalization, the Old Hill Initiative, the South End Initiative, and City investment in targeted Neighborhood Revitalization Strategy Area (NRSA) neighborhoods.

All Springfield NSP funds shall be used with respect to individuals and families whose income does not exceed 120 percent of area median income. Not less than 25 percent of the City's NSP funds shall be used for the purchase and redevelopment of abandoned or foreclosed homes or residential properties that will be used to house individuals or families whose incomes do not exceed 50 percent of area median income.

C. DEFINITIONS AND DESCRIPTIONS

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

Response:

The City defines "Blighted Structure" for the purpose of the NSP as meeting the definition set forth in Springfield City Ordinance 7.36.030: any vacant building, structure or parcel of land in which at least one of the following conditions exist:

1. It is becoming dilapidated as documented by the code enforcement department.
2. It is attracting illegal activity as documented by the police department.
3. It is a fire hazard as determined by the fire marshal or as documented by the fire department; or
4. It is determined by the code enforcement department that the building, structure or parcel of land is in a condition which poses a serious threat to safety, health, morals and general welfare of the city.

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

Response:

The maximum Affordable Rents shall not exceed the Fair Market Rents (FMR) as published annually by the U.S. Department of Housing and Urban Development for the City of Springfield, Massachusetts. The current rates are listed below:

Springfield Fair Market Rents (2008)						
Efficiency	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 Bdrm	6 Bdrm
\$559	\$664	\$844	\$1010	\$1172	\$1348	\$1524

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

Response:

The City of Springfield will ensure long term affordability through the use of a recorded lien, deed rider or other land use restriction agreement (LURA) against the property. In the event the unit is transferred to an owner(s) deemed eligible for assistance under NSP guidelines, the amount of assistance will remain in the subject property to provide continued affordability. In the event the unit is transferred to an owner(s) deemed ineligible for assistance under NSP guidelines before the affordability period expires, the assistance provided by the City will be subject to recapture. The City will monitor assisted units at initial occupancy and every three years during the affordability period.

The City will use the minimum affordability period of the federal HOME Investment Partnership Program, 24 CFR 92.252(a), (c), (e) and (f), and 92.254. The minimum affordability periods are as follows:

- Up to \$15,000 – 5 Years
- \$15,001 to \$40,000 – 10 Years
- Over \$40,000 – 15 years
- New Construction – 20 years

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

Response:

All dwelling units that require rehabilitation must meet local and state building codes. The City of Springfield will require home rehabilitation and new construction to meet or exceed current Massachusetts State Building Code, 780 CMR, and the State Sanitary Code that specifies the minimum standards for human habitation, 105CMR 400 and 410. The City of Springfield will encourage rehabilitation that improves the energy efficiency and/or conservation of dwelling units receiving assistance. Additionally, the City will encourage the incorporation of green building improvements when economically feasible to provide long-term affordability, increased sustainability and attractiveness of housing and neighborhoods.

D. LOW INCOME TARGETING

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon

homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income: \$641,568.

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

Response:

It is expected that funding set aside for households at or below 50% AMI may need to be targeted at affordable rental dwelling units; however, homeownership opportunities will not be excluded. The City will require that any partner selected to do rental housing activities have a proven track record in rental housing development and management. The City will underwrite any potential multifamily development to ensure financial feasibility.

If a unit intended for home ownership does not sell within a timeframe deemed reasonable by the City, the unit may be rented to an income-eligible household.

E. ACQUISITIONS & RELOCATION

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

If so, include:

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

Response:

The City of Springfield does not anticipate demolition to be a major activity in its NSP program. However, the City reserves the right to demolish an acquired property if deemed a more effective use of NSP Funds to stabilize neighborhoods. In particular, if property inspection reveals that demolition of a dwelling unit is appropriate or cost-effective, the City of Springfield may choose to demolish the existing unit. The City estimates that it may demolish up to 6 units.

It is expected that 15 units will be made available to persons/households earning below 120% of area median income through NSP-funded acquisition and rehabilitation. It is expected that 7 units will be made available to persons/households earning below 50% of area median income.

The City does not expect to demolish or convert homes or residential properties that have been vacant for fewer than ninety (90) days. However, if it does so, the City shall conform with Uniform Relocation Action (URA) requirements for any affected household.

F. PUBLIC COMMENT

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

Response:

The City of Springfield conducted three public input sessions prior to publication of the draft NSP: Wednesday, Oct. 22, 6:00 pm at Spring of Hope Church of God in Christ 35 Alden St.; Tuesday, Oct. 28, 6:00 pm at South End Community Center, 29 Howard St; and a session for Lenders, Realtors, CDCs, and Developers on Thursday, Oct. 23, 3:00 pm, at City Hall. These meetings included a presentation by City staff of the data included in this Substantial Amendment, including Maps 1 and 2. Approximately 50 people attended the community input sessions.

Comments at the input sessions identified the importance of targeting funds to a limited geographic area in order to have impact and change buyer perception of the market. Commenters suggested that the City focus these funds in areas where there is already significant public investment, and that the City also consider targeting of city services (e.g., code enforcement, police services) in those same areas. It was recommended that the City create other programs in the target areas, including home exterior improvement and a commercial façade program. Participants pointed out the importance of focusing funds on visible corridors and high-profile properties, and giving consideration to neighborhood anchor institutions. The City was cautioned against selecting a preponderance of gut-rehab properties for the program, as the cost of these properties is so significant that the City will not be able to address many properties

There was emphasis on the need to keep buildings occupied, and to keep ownership local to the greatest degree possible. The City was strongly encouraged to begin a “Buy Springfield” initiative. In order to assist local households to become homeowners, participants suggested that the City consider a lease-to-own model and that the City provide comprehensive and ongoing homebuyer and financial education. One commenter pointed out the importance of outreach to find City families appropriate for homeownership. One participant pointed to the need to provide homebuyer assistance in Vietnamese and other languages in order to reach the immigrant/refugee populations of the City.

Participants noted that, in order to create the greatest incentive for homeownership, deed and affordability restrictions should be minimized. One participant cautioned that the City ensure that its programs do not restrict the availability of private lending.

It was suggested that the City increase tax title activity, and prioritize properties taken through tax title for NSP investment. It was pointed out that rehabilitation should be prioritized for this program; there is very limited demand for new construction.

Commenters noted that NSP provides resources to create permanent supportive housing for veterans, chronically homeless individuals, and for the reentry population.

The draft NSP was released on November 10, 2008; it was made available to the public at the Springfield Offices of Community Development, Health and Human Services, and the central public library, and it was distributed to seventeen neighborhood councils. The draft NSP was posted on the City of Springfield's website.

After publication of the draft NSP, the City took written comments and also held a public comment session on November 18, 2008.

Comments Received. Michael Denney, Executive Director of the New North Community Center, provided written comments on the draft NSP, which were hand-delivered at the November 18 meeting. In his comments, Mr. Denney encouraged the City to include the North End in its target area for NSP funds. Mr. Denney pointed out that the North End is experiencing continued and significant foreclosure activity; that the impact on the North End of foreclosures is not accurately reflected in data because of the area's concentration of public and subsidized housing; and that the North End has been disproportionately targeted for sub-prime lending because it is a low-income community and is primarily Hispanic, which increases the likelihood of targeting due to linguistic barriers.

No other comments on the draft NSP were received.

City Response. There are many areas of high need in Springfield. HUD's scoring system for level of foreclosure and abandonment risk identifies eleven of the City's seventeen neighborhoods as being at highest risk.

The City is targeting NSP funds to a concentrated area which is much smaller than the identified high-risk neighborhoods in order to create a noticeable impact on neighborhoods. The City is using NSP funds not simply to address individual foreclosure, but to combat blight and decrease the likelihood of broader disinvestment. To meet these goals, the City reviewed data regarding vacancy rates, boarded buildings, and condemnations. It is the combination of these factors which dictated the neighborhoods chosen for targeting. The North End neighborhoods do not appear to have the same risk of blight and disinvestment as the areas chosen.

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

ACTIVITY #1

(1) Activity Name: Acquisition and Rehabilitation of Foreclosed Properties for Resale

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

Sec. 2301(c)(3)(B) Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties.

24 CFR 570.201(a) Acquisition; (b) Disposition; (i) Relocation; (n) Direct homeownership assistance (as modified below);

24 C.F.R 570.202 Eligible rehabilitation and preservation activities for homes and other residential properties.

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., $\leq 120\%$ of area median income). Provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120% of area median income.

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

The City will provide assistance to non-profit or private developers for acquisition and rehabilitation of abandoned or foreclosed upon homes. The assistance is intended to prevent or ameliorate vacant properties and blight by providing assistance to make residential properties marketable. This activity directly supports stabilization of the target neighborhoods. This activity will primarily benefit households below 120% of area median income. The City will attempt to also serve at least one household below 50% of area median income through this activity.

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

The City of Springfield will carry out this activity in the target neighborhoods illustrated in Section B Map 3 and identified by Census Tract and Block in Appendix 1.

After analysis within the target area, specific properties will be evaluated. Considerations will include elements such as location, condition, availability, required rehabilitation, neighborhood impact and other factors affecting cost and feasibility. The City intends the

NSP Program to be flexible to allow for timely reaction to significant changes in the local housing market.

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

9 units, one of which will be for a household at or below 50% AMI.

(7) Total Budget:

NSP - \$893,077

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information.) City of Springfield, Office of Housing; 1600 E. Columbus Ave, 1st Floor, Springfield, MA 01103; Carl Dietz, Acting Director. The City may solicit organizations/partners to participate in the program through Requests for Qualifications and/or Requests for Proposals.

(9) Projected Start Date: February 1, 2009

(10) Projected End Date: January 31, 2013

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

For housing related activities, include:

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

The homes targeted for NSP assistance will include properties that have been foreclosed, bank-owned, and vacant for at least ninety (90) days; properties that are blighted, or properties that have been abandoned for at least 90 days but no foreclosure action has been completed. The City or its partners shall negotiate to obtain properties at the maximum discount available, which shall be a discount for each property of at least 5 percent from the current market-appraised value. The average purchase discount for all properties purchased with NSP funds during the 18-month program period shall be at least 15 percent. The current market appraisal will be made in conformity with the requirements of the URA at 49 CFR 24.103 and completed within 60 days prior to an offer to purchase made by the City or an approved housing partner.

After rehabilitation, the home will be sold to an income eligible applicant earning no more than 120% of local area median income. The applicant will procure a fixed-rate mortgage through a local bank or mortgage lender. All loans shall be fully documented, no pre-payment penalties are permitted, closing costs must be reasonable and customary and applicants' total debt-to-income ratio must be reasonable as determined by the City of Springfield Office of Housing.

All lenders providing first mortgage financing for homes or residential properties assisted with NSP funds agree to comply with the bank regulators' guidance for non-traditional mortgages. Refer to Statement on Subprime Mortgage Lending issued by the Office of the Comptroller of the Currency, Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, Department of the Treasury, and National Credit Union Administration, available at <http://www.fdic.gov/regulations/laws/rules/5000-5160.html>.

A portion of the NSP Funds used in the acquisition and /or rehabilitation may remain in the home or residential property to provide down payment assistance and/or increase affordability. Any down payment or second mortgage shall bear an interest rate of 0 to 3% and shall be forgiven over the duration of the affordability period. No payment will be required until the home is sold, transferred, refinanced, is no longer the primary homesteaded residence of the owner, or is operated for an activity deemed ineligible for assistance under NSP guidelines. At that time the balance of the loan will be repaid.

The City of Springfield Office of Housing will work to identify income-qualified and mortgage-ready applicants. All applicants must receive at least eight (8) hours of homebuyer education from a U.S. Department of Housing and Urban Development certified counselor.

Should a unit intended for home ownership not sell within a timeframe deemed reasonable by the City, the unit may be rented to an income-eligible household. A lease-to-own model may also be considered to assist families into home ownership. Affordability restrictions shall apply and the unit(s) must be occupied by households earning no more than 120 percent of the local area median income and rents may not exceed the limits as established in Section C. Definitions and Descriptions, (2) Definition of "affordable rents".

ACTIVITY #2

(1) **Activity Name:** Acquisition and Rehabilitation of Foreclosed Properties for Rental

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

Sec. 2301(c)(3)(B) Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties.

24 CFR 570.201(a) Acquisition; (b) Disposition; (i) Relocation; (n) Direct homeownership assistance (as modified below);

24 C.F.R 570.202 Eligible rehabilitation and preservation activities for homes and other residential properties.

(3) **National Objective:** (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., $\leq 120\%$ of area median income). Provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120 percent of area median income.

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

The City will provide assistance to non-profit and private developers for acquisition and rehabilitation of abandoned or foreclosed upon residential properties. The assistance is intended to prevent or ameliorate vacate properties and blight by providing assistance to make residential properties marketable. This activity directly supports stabilization of the target neighborhoods. This activity will primarily benefit households below 50% of area median income.

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

The City of Springfield will carry out this activity in the target neighborhoods illustrated in Section B Map 3 and identified by Census Tract and Block in Appendix 1.

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

6 units, all of which shall be for households that are at or below 50% AMI.

(7) Total Budget:

NSP - \$500,000

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information.) City of Springfield Office of Housing; 1600 E. Columbus Ave, 1st Floor, Springfield, MA 01103; Carl Dietz, Acting Director. The City may solicit organizations/partners to participate in the program through Requests for Qualifications and/or Requests for Proposals.

(9) Projected Start Date: February 1, 2009

(10) Projected End Date: January 31, 2013

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

For housing related activities, include:

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

The properties targeted for NSP assistance will include properties that have been foreclosed, bank-owned, and vacant for at least ninety (90) days; properties that are blighted, or properties that have been abandoned for at least 90 days but no foreclosure action has been completed. The City or its partners shall negotiate to obtain properties at the maximum discount available, which shall be a discount for each property of at least 5 percent from the current market-appraised value. The average purchase discount for all properties purchased with NSP funds during the 18-month program period shall be at least 15 percent. The current market appraisal will be made in conformity with the requirements of the URA at 49 CFR 24.103 and completed within 60 days prior to an offer to purchase made by the City or an approved housing partner.

A portion of the NSP Funds used in the acquisition and/or rehabilitation may remain in the residential property to provide a subsidy to the renter and increase the subject property's affordability/sustainability.

The City will monitor assisted units at initial occupancy and every three years during the affordability period.

ACTIVITY #3

(1) **Activity Name:** Direct Homebuyer Assistance to Acquire Foreclosed Properties

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

Sec. 2301 (c) (3) (A): Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-second, loan loss reserves, and shared-equity loans for low- and moderate-income homebuyers.

As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206.

To the extent that financing assistance is used to carry out the following eligible activities: 24 CFR 570.201(a) Acquisition; (i) Relocation; (n) Direct homeownership assistance;

24 CFR 570.202 (b) Types of assistance. CDBG funds may be used to finance the following types of rehabilitation activities, and related costs, either singly, or in combination, through the use of grants, loans, loan guarantees, interest supplements, or other means for buildings and improvements described in paragraph (a) of this section, except that rehabilitation of commercial or industrial buildings is limited as described in paragraph (a)(3).

(1) Assistance to private individuals and entities, including profit making and nonprofit organizations, to acquire for the purpose of rehabilitation, and to rehabilitate properties, for use or resale for residential purposes;

(2) Labor, materials, and other costs of rehabilitation of properties, including repair directed toward an accumulation of deferred maintenance, replacement of principal fixtures and components of existing structures, installation of security devices, including smoke detectors and dead bolt locks, and renovation through alterations, additions to, or enhancement of existing structures and improvements, abatement of asbestos hazards (and other contaminants) in buildings and improvements that may be undertaken singly, or in combination;

Sec. 2301(c)(3)(B): Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties.

24 CFR 570.202: Eligible rehabilitation and preservation activities for homes and other residential properties.

(3) **National Objective:** (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). Provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120 percent of area median income.

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

The Direct Homebuyer Assistance Activity shall assist first-time homebuyers. Assistance may be in the form of down payment and closing cost assistance to provide incentives to families for acquire a home in targeted neighborhoods. Rehabilitation financing and/or technical assistance may also be used to provide families with resources needed to bring their purchased property up to code. The activity will provide assistance for the purchase of single family homes, duplexes, condominiums, or townhouses.

This activity is designed to stabilize neighborhoods by encouraging homeownership. This activity will primarily benefit households below 120% of area median income. The City will attempt to also serve at least one household below 50% of area median income through this activity.

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

The City of Springfield will carry out this activity in the target neighborhoods illustrated in Section B Map 3 and identified by Census Tract and Block in Appendix 1.

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

21 households will be assisted; at least one of these will be at or below 50% AMI.

(7) Total Budget:

NSP - \$541,568

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information.) City of Springfield Office of Housing; 1600 E. Columbus Ave, 1st Floor, Springfield, MA 01103; Carl Dietz, Acting Director. The City may solicit organizations/partners to participate in the program through Requests for Qualifications and/or Requests for Proposals.

(9) Projected Start Date: February 1, 2009

(10) Projected End Date: January 31, 2013

(11) Specific Activity Requirements:
For acquisition activities, include:

- **discount rate**

For financing activities, include:

- **range of interest rates**

For housing related activities, include:

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

The purchase price shall be at the maximum discount available, which shall be a discount for each property of at least 5 percent from the current market-appraised value. The average purchase discount for all properties purchased with NSP funds during the 18-month program period shall be at least 15 percent. The current market appraisal will be made in conformity with the requirements of the URA at 49 CFR 24.103 and completed within 60 days prior to an offer to purchase made by the City or an approved housing partner.

NSP funds used in this activity are intended to remain in the residential property to provide an incentive to the homebuyer and to increase the subject property's affordability/sustainability. Funds that are loaned will have an interest rate of 0-3%, which may be deferred.

The City of Springfield will ensure long term affordability through the use of a recorded lien, deed rider or other land use restriction agreement (LURA) against the property. If an owner who has been assisted through this program transfers title to the property before the affordability period expires, the assistance provided by the City will be subject to recapture. The City will monitor assisted units at initial occupancy and every three years during the affordability period.

In no event shall NSP funds be used to assist households earning more than 120 percent local area median income. All applicants must receive at least eight (8) hours of homebuyer education from a U.S. Department of Housing and Urban Development certified counselor.

ACTIVITY #4

(1) **Activity Name:** Homebuyer Education

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

Sec. 2301(c)(3)(B) Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties.

24 CFR 570.201(a) Acquisition; (b) Disposition; (i) Relocation; (n) Direct homeownership assistance (as modified below);

24 C.F.R 570.202 Eligible rehabilitation and preservation activities for homes and other residential properties (HUD notes that rehabilitation may include counseling for those seeking to take part in the activity).

(3) **National Objective:** (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). Provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120 percent of area median income.

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

The City of Springfield Office of Housing will provide or partner with local nonprofit agencies to provide homebuyer education, in order to support homebuyers in their ability to sustain homeownership. All homebuyer education and counseling shall be performed by HUD certified counselors. Prospective homebuyers will be educated with the information and materials to foster successful homeownership.

Examples of topics covered in the homebuyer education classes may include, but are not limited to:

- | | |
|------------------------------|------------------------------------|
| -Understanding Credit | -Getting a Mortgage Loan |
| -Predatory Lending | -Shopping for a Home |
| -Keeping your Home | -Home Maintenance |
| -Managing your Finances | -Responsibilities of Homeownership |
| -Preparing for Homeownership | -The Closing Process |

Assistance may be made available throughout an initial period of homeownership.

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

The City of Springfield will make this activity available to households below 120% of area median income who wish to purchase owner-occupied homes in the target neighborhoods illustrated in Section B Map 3 and identified by Census Tract and Block in Appendix 1.

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

75 households, at least 15 of which will be at or below 50% AMI.

(7) **Total Budget:**

NSP - \$25,000

(8) **Responsible Organization:** (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information.) City of Springfield Office of Housing; 1600 E. Columbus Ave, 1st Floor, Springfield, MA 01103; Carl Dietz, Acting Director. The City may solicit organizations/partners to participate in the program through Requests for Qualifications and/or Requests for Proposals.

(9) **Projected Start Date:** February 1, 2009

(10) **Projected End Date:** January 1, 2013

(11) **Specific Activity Requirements:**

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

For housing related activities, include:

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

ACTIVITY #5

(1) **Activity Name:** Demolition of Acquired Foreclosed Properties

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

Sec. 2301(c)(3)(D): Demolish blighted structures

24 CFR 570.201(a) Acquisition, and (b) Disposition.

24 FR 570.201 (d): Clearance, for blighted structures only.

(3) **National Objective:** (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., $\leq 120\%$ of area median income). Provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120 percent of area median income.

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

Homes or residential properties acquired through the NSP Program that meet the City's definition of blighted structures may be demolished. Demolished properties may be placed in a land bank maintained by the City of Springfield or Housing Partner. Demolished properties can be redeveloped or land banked for future development.

If the cost to rehabilitate the unit is greater than seventy-five (75) percent of the cost for new construction and/or the cost of acquisition and rehabilitation exceeds the as completed value, the City will consider demolition. The City of Springfield does not anticipate demolition to be a major activity in its NSP program. Rather, the City reserves the right to demolish any acquired property if deemed a more effective use of NSP Funds to stabilize neighborhoods.

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

The City of Springfield will carry out this activity in the target neighborhoods illustrated in Section B Map 3 and identified by Census Tract and Block in Appendix 1.

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

6 units will be demolished.

(7) Total Budget:

NSP - \$300,000

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information.) City of Springfield Office of Housing; 1600 E. Columbus Ave, 1st Floor, Springfield, MA 01103; Carl Dietz, Acting Director. The City may solicit organizations/partners to participate in the program through Requests for Qualifications and/or Requests for Proposals.

(9) Projected Start Date: February 1, 2009

(10) Projected End Date: January 31, 2013

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

For housing related activities, include:

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

No residents will be evicted to accommodate demolition. The City shall conform to Uniform Relocation Action (URA) requirements for any affected household where a housing unit is being demolished that has not been vacant for greater than ninety (90) days. The City of Springfield will avoid using NSP Funds to acquire homes or residential properties that have been vacant for fewer than ninety (90) days.

If the City of Springfield or its housing partner construct a new unit on the site, such activity shall be governed by NSP guidelines as discussed in Activity #1 –Acquisition and Rehabilitation of Foreclosed Properties for Resale. Additionally, all households assisted must earn no more than 120 percent of the local area median income.

ACTIVITY #6

(1) **Activity Name:** Land Banking of Acquired Properties

(2) **Activity Type:**

Sec. 2301(c)(3)(C): Establish land banks for homes that have been foreclosed upon.

24 CFR 570.201 (a) Acquisition, and (b) Disposition

(3) **National Objective:** (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., $\leq 120\%$ of area median income). Provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120 percent of area median income.

(4) **Activity Description:**

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

The City of Springfield's Office of Housing will provide support for the administration and operation of land banking activities. The land banks funded will hold, temporarily, properties acquired through the NSP. Land banking will be used as part of an overall neighborhood revitalization strategy, and will be considered where there are plans for how the banked land will ultimately be used.

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

The City of Springfield will carry out this activity in the target neighborhoods illustrated in Section B Map 3 and identified by Census Tract and Block in Appendix 1.

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

2 properties will be land banked.

(7) **Total Budget:**

NSP - \$50,000

(8) **Responsible Organization:** (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information.) City of Springfield Office of Housing; 1600 E. Columbus Ave, 1st Floor,

Springfield, MA 01103; Carl Dietz, Acting Director. The City may solicit organizations/partners to participate in the program through Requests for Qualifications and/or Requests for Proposals.

(9) **Projected Start Date:** February 1, 2009

(10) **Projected End Date:** January 31, 2013

(11) **Specific Activity Requirements:**

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

For housing related activities, include:

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

CERTIFICATIONS

- (1) **Affirmatively furthering fair housing.** The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
- (2) **Anti-lobbying.** The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- (3) **Authority of Jurisdiction.** The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
- (4) **Consistency with Plan.** The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.
- (5) **Acquisition and relocation.** The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP program published by HUD.
- (6) **Section 3.** The jurisdiction will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- (7) **Citizen Participation.** The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.
- (8) **Following Plan.** The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.
- (9) **Use of funds in 18 months.** The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP Notice, all of its grant funds within 18 months of receipt of the grant.
- (10) **Use NSP funds \leq 120 of AMI.** The jurisdiction will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income.
- (11) **Assessments.** The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by

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

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

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

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

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

Domini J. Sarno
Signature/Authorized Official

Nov. 25, 2008
Date

Mayor
Title

City of Springfield, NSP Submission, Exhibit A

City of Springfield, Neighborhood Stabilization Program Targeting Data											
Target Areas are Highlighted											
Census Tract	Block Group	Middle-Low-Mod Eligible	Estimated Foreclosure Abandonment Risk Score	Percent < 120% AMI	Persons < 120% AMI	Total Persons	Home Price Decline Since Peak	Place or County Unemployment Rate 0608	High Cost Loan Rate	Predicted 18-month Underlying Problem Foreclosure Rate	Residential Vacancy Rate
800100	1	NO	10	0.0%	0	0	-1.3%	6.3%	44.4%	9.4%	5.6%
800100	1	YES	10	91.8%	683	744	-1.3%	7.7%	44.4%	10.1%	5.6%
800100	2	YES	10	86.3%	1,104	1,279	-1.3%	7.7%	44.4%	10.1%	5.6%
800100	3	YES	10	78.5%	890	1,134	-1.3%	7.7%	44.4%	10.1%	5.6%
800100	4	YES	10	90.7%	1,314	1,448	-1.3%	7.7%	44.4%	10.1%	5.6%
800100	5	YES	10	92.5%	1,673	1,808	-1.3%	7.7%	44.4%	10.1%	5.6%
800100	8	YES	10	91.4%	1,230	1,345	-1.3%	7.7%	44.4%	10.1%	5.6%
800201	3	YES	8	76.6%	577	753	-1.3%	7.7%	41.7%	9.6%	1.3%
800201	4	YES	8	84.1%	929	1,104	-1.3%	7.7%	41.7%	9.6%	1.3%
800201	5	YES	8	74.3%	1,098	1,478	-1.3%	7.7%	41.7%	9.6%	1.3%
800201	6	YES	8	90.3%	1,173	1,299	-1.3%	7.7%	41.7%	9.6%	1.3%
800201	7	YES	8	74.0%	1,246	1,683	-1.3%	7.7%	41.7%	9.6%	1.3%
800202	1	NO	8	0.0%	0	0	-1.3%	6.3%	44.2%	9.4%	0.7%
800202	1	YES	8	80.8%	1,080	1,337	-1.3%	7.7%	44.2%	10.1%	0.7%
800300	1	YES	8	80.6%	972	1,206	-1.3%	7.7%	45.5%	10.3%	1.0%
800300	2	YES	8	74.1%	837	1,129	-1.3%	7.7%	45.5%	10.3%	1.0%
800300	3	YES	8	74.7%	757	1,014	-1.3%	7.7%	45.5%	10.3%	1.0%
800300	4	YES	8	78.0%	637	817	-1.3%	7.7%	45.5%	10.3%	1.0%
800400	1	YES	9	55.7%	192	345	-1.3%	7.7%	50.2%	11.3%	3.0%
800400	2	YES	9	85.6%	1,125	1,315	-1.3%	7.7%	50.2%	11.3%	3.0%
800400	4	YES	9	93.2%	682	732	-1.3%	7.7%	50.2%	11.3%	3.0%
800400	5	YES	9	68.7%	846	1,231	-1.3%	7.7%	50.2%	11.3%	3.0%
800400	6	YES	9	89.3%	1,433	1,605	-1.3%	7.7%	50.2%	11.3%	3.0%
800400	7	YES	9	62.7%	635	1,013	-1.3%	7.7%	50.2%	11.3%	3.0%
800500	1	YES	10	88.3%	1,121	1,269	-1.3%	7.7%	48.2%	10.9%	5.3%
800500	2	YES	10	79.7%	920	1,154	-1.3%	7.7%	48.2%	10.9%	5.3%
800500	3	YES	10	61.3%	581	948	-1.3%	7.7%	48.2%	10.9%	5.3%
800600	1	YES	10	94.1%	852	905	-1.3%	7.7%	67.7%	14.8%	4.5%
800600	2	YES	10	98.5%	1,043	1,059	-1.3%	7.7%	67.7%	14.8%	4.5%
800600	3	YES	10	99.4%	780	785	-1.3%	7.7%	67.7%	14.8%	4.5%
800700	1	NO	8	0.0%	0	0	-1.3%	6.3%	53.9%	11.3%	0.7%
800700	2	NO	8	0.0%	0	0	-1.3%	6.3%	53.9%	11.3%	0.7%
800700	1	YES	8	93.0%	1,284	1,380	-1.3%	7.7%	53.9%	12.0%	0.7%

Census Tract	Block Group	Middle-Low-Mod Eligible	Estimated Foreclosure Abandonment Risk Score	Percent < 120% AMI	Persons < 120% AMI	Total Persons	Home Price Decline Since Peak	Place or County Unemployment Rate 0608	High Cost Loan Rate	Predicted 18-month Underlying Problem Foreclosure Rate	Residential Vacancy Rate
800800	2	NO	9	0.0%	0	0	-1.3%	6.3%	58.1%	12.1%	1.7%
800800	1	YES	9	99.2%	1,265	1,275	-1.3%	7.7%	58.1%	12.9%	1.7%
800800	2	YES	9	93.1%	805	865	-1.3%	7.7%	58.1%	12.9%	1.7%
800900	1	YES	10	86.0%	172	200	-1.3%	7.7%	65.2%	14.3%	4.2%
800900	2	YES	10	95.0%	1,075	1,132	-1.3%	7.7%	65.2%	14.3%	4.2%
800900	3	YES	10	90.2%	910	1,009	-1.3%	7.7%	65.2%	14.3%	4.2%
800900	4	YES	10	78.5%	465	592	-1.3%	7.7%	65.2%	14.3%	4.2%
800900	5	YES	10	99.4%	1,072	1,078	-1.3%	7.7%	65.2%	14.3%	4.2%
801101	1	NO	9	0.0%	0	0	-1.3%	6.3%	35.3%	7.6%	3.7%
801101	2	NO	9	0.0%	0	0	-1.3%	6.3%	35.3%	7.6%	3.7%
801101	1	YES	9	89.9%	1,837	2,044	-1.3%	7.7%	35.3%	8.3%	3.7%
801101	2	YES	9	100.0%	1	1	-1.3%	7.7%	35.3%	8.3%	3.7%
801102	2	NO	8	0.0%	0	0	-1.3%	6.3%	55.6%	11.6%	1.1%
801102	1	YES	8	81.0%	653	806	-1.3%	7.7%	55.6%	12.3%	1.1%
801102	2	YES	8	59.3%	408	688	-1.3%	7.7%	55.6%	12.3%	1.1%
801200	1	YES	9	98.0%	779	795	-1.3%	7.7%	40.0%	9.2%	1.9%
801200	2	YES	9	74.2%	733	988	-1.3%	7.7%	40.0%	9.2%	1.9%
801200	3	YES	9	80.6%	577	716	-1.3%	7.7%	40.0%	9.2%	1.9%
801300	1	YES	10	89.1%	1,241	1,393	-1.3%	7.7%	53.5%	11.9%	7.7%
801300	2	YES	10	96.0%	987	1,028	-1.3%	7.7%	53.5%	11.9%	7.7%
801300	3	YES	10	77.9%	1,192	1,530	-1.3%	7.7%	53.5%	11.9%	7.7%
801300	5	YES	10	78.8%	733	930	-1.3%	7.7%	53.5%	11.9%	7.7%
801401	4	YES	10	70.1%	342	488	-1.3%	7.7%	65.9%	14.4%	7.6%
801401	5	YES	10	66.0%	1,154	1,748	-1.3%	7.7%	65.9%	14.4%	7.6%
801401	6	YES	10	91.2%	1,834	2,010	-1.3%	7.7%	65.9%	14.4%	7.6%
801402	1	YES	9	79.9%	886	1,109	-1.3%	7.7%	50.9%	11.4%	2.8%
801402	4	YES	9	76.7%	690	900	-1.3%	7.7%	50.9%	11.4%	2.8%
801501	1	YES	9	72.5%	1,004	1,385	-1.3%	7.7%	50.7%	11.4%	1.8%
801501	2	YES	9	83.4%	671	805	-1.3%	7.7%	50.7%	11.4%	1.8%
801501	3	YES	9	91.9%	1,243	1,352	-1.3%	7.7%	50.7%	11.4%	1.8%
801501	4	YES	9	73.3%	984	1,343	-1.3%	7.7%	50.7%	11.4%	1.8%
801502	1	YES	8	79.9%	853	1,068	-1.3%	7.7%	50.2%	11.3%	1.0%
801502	2	YES	8	79.1%	624	789	-1.3%	7.7%	50.2%	11.3%	1.0%
801502	4	YES	8	85.4%	1,311	1,535	-1.3%	7.7%	50.2%	11.3%	1.0%
801503	1	YES	9	87.7%	848	967	-1.3%	7.7%	46.8%	10.6%	1.9%
801503	2	YES	9	84.5%	1,560	1,847	-1.3%	7.7%	46.8%	10.6%	1.9%
801503	3	YES	9	77.7%	665	856	-1.3%	7.7%	46.8%	10.6%	1.9%

Census Tract	Block Group	Middle-Low-Mod Eligible	Estimated Foreclosure Abandonment Risk Score	Percent < 120% AMI	Persons < 120% AMI	Total Persons	Home Price Decline Since Peak	Place or County Unemployment Rate 0608	High Cost Loan Rate	Predicted 18-month Underlying Problem Foreclosure Rate	Residential Vacancy Rate
801601	2	YES	8	72.9%	474	650	-1.3%	7.7%	38.9%	9.0%	0.6%
801601	3	YES	8	69.1%	782	1,132	-1.3%	7.7%	38.9%	9.0%	0.6%
801601	4	YES	8	76.1%	817	1,073	-1.3%	7.7%	38.9%	9.0%	0.6%
801602	1	YES	7	82.7%	2,387	2,888	-1.3%	7.7%	35.3%	8.3%	0.8%
801602	2	YES	7	63.1%	517	819	-1.3%	7.7%	35.3%	8.3%	0.8%
801602	3	YES	7	76.4%	740	968	-1.3%	7.7%	35.3%	8.3%	0.8%
801603	1	YES	6	76.3%	1,078	1,412	-1.3%	7.7%	28.8%	7.0%	0.5%
801603	2	YES	6	69.6%	1,921	2,761	-1.3%	7.7%	28.8%	7.0%	0.5%
801604	1	YES	6	63.7%	1,817	2,852	-1.3%	7.7%	27.1%	6.7%	0.4%
801604	2	YES	6	59.3%	744	1,255	-1.3%	7.7%	27.1%	6.7%	0.4%
801605	1	NO	6	46.7%	503	1,078	-1.3%	7.7%	29.4%	7.1%	0.5%
801605	2	YES	6	79.9%	2,354	2,947	-1.3%	7.7%	29.4%	7.1%	0.5%
801605	3	YES	6	63.7%	400	628	-1.3%	7.7%	29.4%	7.1%	0.5%
801700	1	YES	10	82.9%	971	1,171	-1.3%	7.7%	58.2%	12.9%	8.1%
801700	2	NO	10	10.9%	187	1,713	-1.3%	7.7%	58.2%	12.9%	8.1%
801700	3	YES	10	92.3%	831	900	-1.3%	7.7%	58.2%	12.9%	8.1%
801700	4	YES	10	87.1%	913	1,048	-1.3%	7.7%	58.2%	12.9%	8.1%
801700	5	YES	10	86.8%	1,121	1,291	-1.3%	7.7%	58.2%	12.9%	8.1%
801700	6	YES	10	88.8%	938	1,056	-1.3%	7.7%	58.2%	12.9%	8.1%
801800	1	YES	10	85.8%	755	880	-1.3%	7.7%	67.3%	14.7%	10.4%
801800	2	YES	10	90.5%	1,148	1,268	-1.3%	7.7%	67.3%	14.7%	10.4%
801800	3	YES	10	92.8%	835	900	-1.3%	7.7%	67.3%	14.7%	10.4%
801800	5	YES	10	90.6%	665	734	-1.3%	7.7%	67.3%	14.7%	10.4%
801800	6	YES	10	100.0%	775	775	-1.3%	7.7%	67.3%	14.7%	10.4%
801900	1	YES	10	85.0%	1,416	1,665	-1.3%	7.7%	58.3%	12.9%	5.7%
801900	2	YES	10	90.0%	1,106	1,229	-1.3%	7.7%	58.3%	12.9%	5.7%
801900	3	YES	10	89.7%	566	631	-1.3%	7.7%	58.3%	12.9%	5.7%
801900	4	YES	10	85.9%	577	672	-1.3%	7.7%	58.3%	12.9%	5.7%
801900	5	YES	10	94.2%	2,215	2,352	-1.3%	7.7%	58.3%	12.9%	5.7%
801900	8	YES	10	90.8%	1,034	1,139	-1.3%	7.7%	58.3%	12.9%	5.7%
802000	3	NO	10	0.0%	0	0	-1.3%	6.3%	62.7%	13.0%	3.7%
802000	1	YES	10	91.0%	1,970	2,166	-1.3%	7.7%	62.7%	13.8%	3.7%
802000	2	YES	10	94.0%	730	777	-1.3%	7.7%	62.7%	13.8%	3.7%
802000	3	YES	10	68.6%	192	280	-1.3%	7.7%	62.7%	13.8%	3.7%
802100	9	NO	10	0.0%	0	0	-1.3%	6.3%	41.2%	8.8%	7.3%
802100	1	YES	10	91.0%	1,571	1,726	-1.3%	7.7%	41.2%	9.5%	7.3%
802100	2	YES	10	53.0%	346	653	-1.3%	7.7%	41.2%	9.5%	7.3%

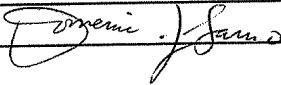
Census Tract	Block Group	Middle-Low-Mod Eligible	Estimated Foreclosure Abandonment Risk Score	Percent < 120% AMI	Persons < 120% AMI	Total Persons	Home Price Decline Since Peak	Place or County Unemployment Rate 0608	High Cost Loan Rate	Predicted 18-month Underlying Problem Foreclosure Rate	Residential Vacancy Rate
802100	4	YES	10	83.2%	738	887	-1.3%	7.7%	41.2%	9.5%	7.3%
802100	6	YES	10	74.6%	998	1,338	-1.3%	7.7%	41.2%	9.5%	7.3%
802100	9	YES	10	76.9%	684	890	-1.3%	7.7%	41.2%	9.5%	7.3%
802200	1	YES	10	91.9%	809	880	-1.3%	7.7%	58.0%	12.8%	9.2%
802200	2	YES	10	81.5%	933	1,145	-1.3%	7.7%	58.0%	12.8%	9.2%
802200	3	YES	10	90.6%	931	1,028	-1.3%	7.7%	58.0%	12.8%	9.2%
802300	1	YES	10	93.1%	742	797	-1.3%	7.7%	60.3%	13.3%	5.2%
802300	2	YES	10	77.3%	1,351	1,747	-1.3%	7.7%	60.3%	13.3%	5.2%
802300	4	YES	10	92.3%	717	777	-1.3%	7.7%	60.3%	13.3%	5.2%
802300	5	YES	10	94.8%	903	953	-1.3%	7.7%	60.3%	13.3%	5.2%
802300	6	YES	10	91.2%	1,946	2,133	-1.3%	7.7%	60.3%	13.3%	5.2%
802400	1	YES	7	58.8%	469	797	-1.3%	7.7%	26.0%	6.5%	0.8%
802400	2	YES	7	54.9%	425	774	-1.3%	7.7%	26.0%	6.5%	0.8%
802400	3	YES	7	62.3%	861	1,381	-1.3%	7.7%	26.0%	6.5%	0.8%
802400	4	YES	7	64.7%	464	717	-1.3%	7.7%	26.0%	6.5%	0.8%
802500	1	YES	8	58.4%	613	1,050	-1.3%	7.7%	33.1%	7.9%	1.2%
802500	2	YES	8	52.8%	603	1,142	-1.3%	7.7%	33.1%	7.9%	1.2%
802500	3	YES	8	72.6%	765	1,054	-1.3%	7.7%	33.1%	7.9%	1.2%
802500	4	NO	8	44.9%	429	955	-1.3%	7.7%	33.1%	7.9%	1.2%
802500	5	YES	8	70.4%	993	1,411	-1.3%	7.7%	33.1%	7.9%	1.2%
802500	6	YES	8	64.5%	863	1,337	-1.3%	7.7%	33.1%	7.9%	1.2%
802601	1	YES	10	68.3%	461	675	-1.3%	7.7%	44.2%	10.1%	4.3%
802601	2	YES	10	68.5%	869	1,268	-1.3%	7.7%	44.2%	10.1%	4.3%
802601	3	YES	10	83.3%	1,120	1,345	-1.3%	7.7%	44.2%	10.1%	4.3%
802601	4	YES	10	81.2%	945	1,164	-1.3%	7.7%	44.2%	10.1%	4.3%
802601	5	YES	10	96.4%	1,067	1,107	-1.3%	7.7%	44.2%	10.1%	4.3%
802601	6	YES	10	66.1%	752	1,138	-1.3%	7.7%	44.2%	10.1%	4.3%
802602	8	YES	7	67.4%	1,531	2,271	-1.3%	7.7%	26.1%	6.5%	1.2%

Exhibit B
City of Springfield
Neighborhood Stabilization Program Budget

SPRINGFIELD NSP ALLOCATION	\$ 2,566,272.00	Amount by Activity	50% AMI and Below Amount	51% - 120% AMI Amount
Planning and Administration	\$ 256,627.00	\$	-	\$
Acquisition and Rehabilitation of Foreclosed Properties for Resale	\$ 893,077.00	\$ 893,077.00	\$ 95,000.00	\$ 798,077.00
Acquisition and Rehabilitation of Foreclosed Properties for Rental	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$
Financing Incentives for Homebuyers	\$ 541,568.00	\$ 541,568.00	\$ 41,568.00	\$ 500,000.00
Homebuyer Education	\$ 25,000.00	\$ 25,000.00	\$ 5,000.00	\$ 20,000.00
Demolition	\$ 300,000.00	\$ 300,000.00	\$	\$ 300,000.00
Land Bank	\$ 50,000.00	\$ 50,000.00	\$	\$ 50,000.00
TOTAL	\$ 2,566,272.00	\$ 2,566,272.00	\$ 641,568.00	\$ 1,668,077.00
PERCENT OF TOTAL ALLOCATION			25%	75%

Application for Federal Assistance SF-424		Version 02
*1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application		
*2. Type of Application * If Revision, select appropriate letter(s) <input type="checkbox"/> New <input type="checkbox"/> Continuation <input checked="" type="checkbox"/> Revision A. Increase Award *Other (Specify) _____		
3. Date Received:		4. Applicant Identifier: B-08-MC-25-0023
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: City of Springfield, MA		
*b. Employer/Taxpayer Identification Number (EIN/TIN): 04-6001415		*c. Organizational DUNS: 073011921
d. Address:		
*Street 1: <u>1600 E Columbus Avenue</u>		
Street 2: _____		
*City: <u>Springfield</u>		
County: <u>Hampden</u>		
*State: <u>Massachusetts</u>		
Province: _____		
*Country: <u>USA</u>		
*Zip / Postal Code <u>01103</u>		
e. Organizational Unit:		
Department Name: Community Development		Division Name: Office of Housing
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: <u>Mr.</u> *First Name: <u>Carl</u>		
Middle Name: _____		
*Last Name: <u>Dietz</u>		
Suffix: _____		
Title: <u>Director of Housing</u>		
Organizational Affiliation: _____		
*Telephone Number: 413-787-6500		Fax Number: 413-787-6515
*Email: <u>cdietz@springfieldcityhall.com</u>		

Application for Federal Assistance SF-424	Version 02
<p>*9. Type of Applicant 1: Select Applicant Type: C. City or Township Government</p> <p>Type of Applicant 2: Select Applicant Type:</p> <p>Type of Applicant 3: Select Applicant Type:</p> <p>*Other (Specify)</p>	
<p>*10 Name of Federal Agency: U.S. Department of Housing and Urban Development</p>	
<p>11. Catalog of Federal Domestic Assistance Number: 14.218 _____</p> <p>CFDA Title: CDBG Entitlement Grant _____</p>	
<p>*12 Funding Opportunity Number: _____</p> <p>*Title: _____</p>	
<p>13. Competition Identification Number: _____</p> <p>Title: _____</p>	
<p>14. Areas Affected by Project (Cities, Counties, States, etc.): LMI areas in Springfield,MA</p>	
<p>*15. Descriptive Title of Applicant's Project: Neighborhood Stabilization Program (NSP)</p>	

Application for Federal Assistance SF-424		Version 02
16. Congressional Districts Of:		
*a. Applicant: Second	*b. Program/Project: Second	
17. Proposed Project:		
*a. Start Date: 02/01/2009	*b. End Date: 01/31/2013	
18. Estimated Funding (\$):		
*a. Federal	_____	
*b. Applicant	2,566,272.	
*c. State	_____	
*d. Local	_____	
*e. Other	_____	
*f. Program Income	_____	
*g. TOTAL	_____	
*19. Is Application Subject to Review By State Under Executive Order 12372 Process?		
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on _____		
<input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review.		
<input checked="" type="checkbox"/> c. Program is not covered by E. O. 12372		
*20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)		
<input type="checkbox"/> ** 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: Mayor	*First Name: Domenic	
Middle Name: J		
*Last Name: Sarno		
Suffix: _____		
*Title: Mayor of Springfield, MA		
*Telephone Number: 413-787-6100		Fax Number: 413-787-6104
* Email: dsarno@springfieldcityhall.com		
*Signature of Authorized Representative: 		*Date Signed: 11/25/09

NSP Substantial Amendment Checklist

For the purposes of expediting review, HUD asks that applicants submit the following checklist along with the NSP Substantial Amendment and SF-424.

Contents of an NSP Action Plan Substantial Amendment

Jurisdiction(s): Springfield, MA Office of Housing Jurisdiction Web Address: www.springfieldcityhall.com <i>(URL where NSP Substantial Amendment materials are posted)</i>	NSP Contact Person: Carl Dietz Director, Office of Housing Address: 1600 E. Columbus Ave. Springfield, MA 01103 Telephone: (413) 787-6500 Fax: (413) 787-6515 Email: cdietz@springfieldcityhall.com
---	---

The elements in the substantial amendment required for the Neighborhood Stabilization Program are:

A. AREAS OF GREATEST NEED

Does the submission include summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction?

Yes No . Verification found on page 2.

B. DISTRIBUTION AND USES OF FUNDS

Does the submission contain a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures?

Yes No . Verification found on page 3-4.

Note: The grantee's narrative must address the three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

C. DEFINITIONS AND DESCRIPTIONS

For the purposes of the NSP, do the narratives include:

- a definition of "blighted structure" in the context of state or local law,
Yes No . Verification found on page 4.
- a definition of "affordable rents,"
Yes No . Verification found on page 4-5.

- a description of how the grantee will ensure continued affordability for NSP assisted housing,
Yes No . Verification found on page 5.
- a description of housing rehabilitation standards that will apply to NSP assisted activities?
Yes No . Verification found on page 5.

D. INFORMATION BY ACTIVITY

Does the submission contain information by activity describing how the grantee will use the funds, identifying:

- eligible use of funds under NSP,
Yes No . Verification found on pages 9, 12, 14, 17, 19, 21.
- correlated eligible activity under CDBG,
Yes No . Verification found on pages 9, 12, 14, 17, 19, 21.
- the areas of greatest need addressed by the activity or activities,
Yes No . Verification found on pages 9, 12, 15, 17-18, 19, 21.
- expected benefit to income-qualified persons or households or areas,
Yes No . Verification found on pages 9, 12, 15, 17, 19, 21.
- appropriate performance measures for the activity,
Yes No . Verification found on pages 10, 12, 15, 18, 19, 21.
- amount of funds budgeted for the activity,
Yes No . Verification found on pages 10, 13, 15, 18, 20, 21.
- the name, location and contact information for the entity that will carry out the activity,
Yes No . Verification found on pages 10, 13, 15, 18, 20, 22.
- expected start and end dates of the activity?
Yes No . Verification found on pages 10, 13, 15, 18, 20, 22.

E. SPECIFIC ACTIVITY REQUIREMENTS

Does each activity narrative describe the general terms under which assistance will be provided, including:

If the activity includes acquisition of real property,

- the discount required for acquisition of foreclosed upon properties,
Yes No . Verification found on pages 10, 13.

If the activity provides financing,

- the range of interest rates (if any),
Yes No . Verification found on pages 11, 16.

If the activity provides housing,

- duration or term of assistance,
Yes No . Verification found on pages 11, 13.
- tenure of beneficiaries (e.g., rental or homeownership),
Yes No . Verification found on pages 11, 12-13.
- does it ensure continued affordability?
Yes No . Verification found on pages 11, 13.
- does the applicant indicate which activities will count toward the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
Yes No . Verification found on pages 10, 12, 15, 18.

F. LOW INCOME TARGETING

- Has the grantee described how it will meet the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
Yes No . Verification found on page 6.
- Has the grantee identified how the estimated amount of funds appropriated or otherwise made available will be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50% of area median income?
Yes No . Verification found on page 6.
Amount budgeted = \$ 641,568.

G. DEMOLISHMENT OR CONVERSION OF LOW- AND MODERATE-INCOME UNITS

Does grantee plan to demolish or convert any low- and moderate-income dwelling units?

- Yes No . (If no, continue to next heading)
Verification found on page 6.

Does the substantial amendment include:

- 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?
Yes No . Verification found on page 6.

- 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)?
Yes No Verification found on page 7.
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income?
Yes No Verification found on page 7.

H. PUBLIC COMMENT PERIOD

Was the proposed action plan amendment published via the grantee jurisdiction’s usual methods and on the Internet for no less than 15 calendar days of public comment?
Yes No Verification found on page 8.

Is there a summary of citizen comments included in the final amendment?
Yes No Verification found on page 7-8.

I. WEBSITE PUBLICATION

The following Documents are available on the grantee’s website:

- SF 424 Yes No
- Proposed NSP Substantial Amendment Yes No
- Final NSP Substantial Amendment Yes No
- Subsequent NSP Amendments Yes No

Website URL: www.springfieldcityhall.com/planning/index.php?id=dept_cd

K. CERTIFICATIONS

The following certifications are complete and accurate:

- | | | |
|--|---|-----------------------------|
| (1) Affirmatively furthering fair housing | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (2) Anti-lobbying | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (3) Authority of Jurisdiction | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (4) Consistency with Plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (5) Acquisition and relocation | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (6) Section 3 | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (7) Citizen Participation | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (8) Following Plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (9) Use of funds in 18 months | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (10) Use NSP funds ≤ 120 of AMI | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (11) No recovery of capital costs thru special assessments | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (12) Excessive Force | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (13) Compliance with anti-discrimination laws | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (14) Compliance with lead-based paint procedures | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (15) Compliance with laws | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |