

CITY OF LONG BEACH

R-10

DEPARTMENT OF DEVELOPMENT SERVICES

333 West Ocean Blvd., 4th Floor Long Beach, CA 90802 (562) 570-5237 Fax: (562) 570-6205

February 8, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Approve the amendment to the Fiscal Year 2010 – 2011 Action Plan incorporating the Neighborhood Stabilization Program 3 (NSP3) and authorize the City Manager to execute all necessary documents with the United States Department of Housing and Urban Development (HUD) to receive NSP3 funds in the amount of \$1,567,935; execute all documents for the City related to acceptance of the grant award, NSP3 purchase/sale agreements, loan documents and all related documents for NSP3 funded transactions; and increase appropriations in the Community Development Grants Fund (SR 150) in the Department of Development Services (DS) by \$1,567,935. (Citywide)

DISCUSSION

In order to receive Community Development Block Grant (CDBG) funding from HUD, the City of Long Beach prepares an annual Action Plan that describes how funding for low- and moderate-income residents will be used. On July 13, 2010, the City Council approved the Fiscal Year 2011 (FY 11) Action Plan. This FY 11 Action Plan is the fifth annual implementation plan under the seven-year 2005-2012 Consolidated Plan. The plan is required to assess community needs and to prioritize the use of HUD grant funds received by the City to address identified needs by principally benefiting low- and moderate-income Long Beach residents.

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 provided an additional \$1 billion for the Neighborhood Stabilization Program (NSP) that was originally established under the Housing and Economic Recovery Act of 2008. A third round of NSP funding, the additional entitlement provided by the Dodd-Frank Act, is known as NSP3. A summary of NSP3 regulations is provided (Attachment A). Pursuant to the Act, the City is eligible to receive an additional \$1,567,935 of federal funds allocated to NSP3. Because this is a new entitlement, the City must amend the FY 11 Action Plan in order to participate in NSP3.

NSP3 is intended to expand upon the activities of NSP1 and NSP2 to stabilize neighborhoods most affected by the foreclosure crisis and to reduce the effects of foreclosures on local communities. NSP3 funds will be allocated by using a formula based

on the number of foreclosures and vacancies in areas with the following criteria: the highest rates of homes financed by a subprime mortgage, home mortgage loans that are delinquent, and homes that are in foreclosure.

The City's program proposes to purchase and rehabilitate foreclosed or abandoned homes in areas of greatest need where a significant impact can be achieved, and resell the homes to income-qualified first-time home buyers. In order to meet HUD's requirements, and to achieve the maximum impact in stabilizing local neighborhoods, the City will utilize funds to serve between four and six workforce households earning up to 120 percent Area Median Income (AMI) in a very targeted manner. Additionally, HUD requires that 25 percent of the total grant award be used to assist families earning less than 50 percent of AMI, which is equivalent to \$39,650 for a family of four. To achieve this outcome, the City will allocate a minimum of \$391,984 to assist up to two very low-income households.

On January 19, 2011, the Community Development Advisory Commission conducted a Public Hearing to solicit public comment on the proposed amendment to the FY 11 Action Plan. The Commission voted unanimously to recommend that the City Council approve the amendment to the FY 11 Action Plan (Attachment B). Notices regarding the availability of the draft Action Plan were published in the *Press Telegram*, *Angkor Borei* (Cambodian Language) and *Impacto* (Spanish Language). In addition, the program announcement and the draft amendment were posted on the Neighborhood Services Bureau website. There were no public comments received at the public hearing nor during the public comment period, December 29, 2010 to January 13, 2011.

This item was reviewed by Deputy City Attorney Richard Anthony on January 19, 2011 and Budget Management Officer Victoria Bell on January 27, 2011.

TIMING CONSIDERATIONS

City Council action is requested on February 8, 2011, as the grant agreement must be executed and submitted to HUD no later than March 1, 2011.


FISCAL IMPACT

The receipt of \$1,567,935 in grant funds is not currently budgeted. Therefore an appropriation increase in the Community Development Grants Fund (SR 150) in the Department of Development Services (DS) is requested as part of the recommended action. There is no fiscal impact to the General Fund. The NSP3 program is expected to create or retain approximately 44 local jobs.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



AMY J. BODEK, AICP
DIRECTOR OF DEVELOPMENT SERVICES

AJB:AR:aa
2.8.11 NSP3 v9.doc

Attachment A – Summary of NSP3 Regulations
Attachment B – Draft FY 2010-2011 Action Plan Substantial Amendment

APPROVED:



PATRICK H. WEST
CITY MANAGER

Summary of Neighborhood Stabilization Program 3 (NSP3)*

The Neighborhood Stabilization Program (NSP) consists of three rounds of federal funding to supplement CDBG-eligible housing activities. All three programs are intended to ease the impact of foreclosures and to stabilize neighborhoods impacted by the recent economic decline.

NSP1: Established under the Housing and Economic Recovery Act (HERA) of 2008.

NSP2: Established under the American Recovery and Reinvestment Act (ARRA) of 2009.

NSP3: Established under Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

All three NSP programs have the same five eligible activities:

- Financing mechanisms for foreclosed properties.
- Purchase and rehabilitate abandoned or foreclosed homes and residential properties.
- Land banks for foreclosed properties.
- Demolition of blighted structures.
- Redevelopment of demolished or vacant properties.

All NSP programs require that funds spent benefit low-, moderate- and middle-income persons (LMMI), which is defined as families and individuals earning not more than 120 percent Area Median Income (AMI). Twenty-five percent of the total grant award must be spent to benefit < 50 percent AMI households.

NSP3 funds have strict expenditure deadlines. Fifty percent of the funds must be expended within two years of the grant award and 100 percent must be spent in three years.

To receive NSP3 funding, entitlement agencies must prepare a Substantial Amendment for submission to the U.S. Department of Housing and Urban Development (HUD). The Amendment should describe proposed activities and proposed target areas.

Target areas identified for NSP3 activities are those with the greatest need where available funding can be utilized to achieve a visible impact in stabilizing the neighborhood. HUD assigned both need and impact scores to census tracts and made that data available to entitlement communities using a mapping tool. HUD defines the impact score as the ability to impact at least 20 percent of the Real-Estate Owned foreclosures in the target area. Need scores are assigned a value within a range of 1-20, with 17 being the minimum score required for a tract to be NSP3 eligible. The need score is generated based on the following factors:

- Percentage of home foreclosures.
- Percentage of homes financed by subprime mortgage related loans.
- Areas identified as the most likely to face a significant rise in the rate of home foreclosures (Unemployment Rate, Notices of Default, Absorption Rate and Number of Days on Market etc.).

**See Federal Register / Vol. 75, No. 201 – From 64322 to 64348 – October 19, 2010, for full program notice.*

DRAFT

CITY OF LONG BEACH

**FY 2010-2011 ACTION PLAN
SUBSTANTIAL AMENDMENT**



ALLOCATING FEDERAL RESOURCES OF:

Neighborhood Stabilization Program 3 (NSP3)

Para solicitar este documento en Español, por favor llame al: 562-570-7403

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1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Hagos, Alem S.
Email Address	alem.hagos@longbeach.gov
Phone Number	562-570-7403
Mailing Address	444 West Ocean Boulevard Suite 1700 Long Beach, California 90802

2. Areas of Greatest Need

Map Submission

NSP3 Planning Data reports, which were generated using HUD's NSP3 mapping tool, are attached to this document in Exhibit 1.

Data Sources Used to Determine Areas of Greatest Need

Describe the data sources used to determine the areas of greatest need.

Response:

The City has reviewed various commercially available data sources, including those found at www.policymap.com and the data included in the *NSP3 Foreclosure Need Map* provided by HUD. The City also reviewed data sets compiled during NSP1 and NSP2 action planning. The combined review of both the historical and updated data has assisted the City in developing the strategies to best utilize funds provided in this Annual Action Plan Amendment.

Determination of Areas of Greatest Need and Applicable Tiers

Describe how the areas of greatest need were established and whether a tiered approach is being utilized to determine the distribution of funding.

Response:

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 provided an additional \$1 billion for the Neighborhood Stabilization Program (NSP) that was originally established under the Housing and Economic Recovery Act of 2008. HUD awarded grants to 270 local and state governments to mitigate the negative impact of the nation's economic decline and housing market collapse and to stabilize and revitalize communities and areas hit the hardest. Long Beach has been awarded \$1,567,935 in federal funding for NSP3 based on a formula using the number foreclosures in our City, the high percentage of homes financed with subprime mortgages, and the increased risk of future foreclosures. These factors were used by HUD to assign NSP3 Need Scores to areas using a scale ranging from 1-20. The City's target area for the NSP3 program was developed by reviewing the neediest census tracts, those with need scores above 18, where it was believed that mitigation efforts could best be used to generate a measurable impact within the target area.

Based solely on the need score, HUD provided the City with a vast area of eligibility for consideration. Using HUD's NSP3 mapping tool, the City conducted several studies and reviewed several iterations of

areas that met the criteria of greatest need. While the City initially considered selecting the entire eligible area as a potential target area, this approach was ultimately deemed inappropriate for NSP3, because its impact score of over 400 housing units did not comply with HUD's requirement that a reachable impact be considered when determining the target area.

The City then considered a tiered approach to select multiple potential target areas to be refined as the program progressed. However, the latest guidance from HUD has also deemed this approach invalid for cities. Fortunately, this same guidance also explained HUD's intentions in regards to impact. HUD has clarified that NSP3 funds can be used to build upon the prior successes of NSP1 and NSP2 and that NSP3's impact can be assessed using contributions of the prior programs.

Based on this guidance, the City then began to review potential NSP3 target areas in the context of NSP1 and NSP2. By overlapping those areas of greatest need in NSP3 with NSP1 areas that had Abandonment Risk Scores between 9 and 10 (on a scale of 1-10) and NSP2 areas with NSP2 need scores averaging 18 and above (on a scale of 1-20), the City was able to refine the target area to be one where funds can be put to best use. The target area consists of four areas scattered throughout the City of Long Beach. Each area drawn using HUD's NSP3 mapping tool was assigned a unique Neighborhood Identification number by the program. Those neighborhoods have been combined to create the selected target area. The individual neighborhoods comprising the target area are described in more detail below referencing these Neighborhood Identification numbers.

Neighborhood #4283538 is located in the northwest corner of the City. Featuring 5484 housing units with a combined need score of 19.14, this area has been refined to focus on three census tracts that had very high abandonment risk scores during NSP1 planning. With 35.62% of housing units with high-cost mortgages and 281 foreclosure starts in the past year, this area needs further intervention to support gains made in the NSP1 and NSP2 programs.

The second area of focus, neighborhood #3895996, is located on the west side of Long Beach. It has an NSP3 need score of 19, based on 35.9% of units with a high cost mortgage and 30 Real-Estate Owned housing units. This area continues to appear as a needy area in foreclosure analysis, but significant gains have not yet been seen through NSP1 and NSP2. It is the hope that by including this neighborhood in the target area for NSP3, the City can promote stabilization in this neighborhood.

The third area slated for inclusion in the target area is HUD neighborhood #9119720. Located in central Long Beach, this area has an NSP3 need score of 18.17 and an NSP1 Abandonment Risk Score of nine. With 105 Real-Estate Owned units and 29.05% of homes financed with a high-cost mortgage, this area continues to be in need of financial intervention. The efforts of NSP1 resulted in the significant removal of foreclosed homes in this area; however, the more homeowner-driven NSP2 program has not shown as much impact in this neighborhood. This area is therefore included in NSP3 in an attempt to further bridge the gains seen in NSP1 for central Long Beach.

The fourth neighborhood included in NSP3 is HUD Neighborhood #1235382. Located in central Long Beach to the west of Cherry Avenue, this area is similar to the previous in that it requires additional intervention to support impact achieved through NSP1. With an NSP3 need score of 18.29 and 30% of housing units financed by high-cost mortgages, it is believed that a focused investment now can help reverse declining influences caused by the high foreclosure rate.

Through careful consideration, the City has strived to put together a target area that requires intervention, where NSP3 activities can be undertaken, and where a realistic and measurable impact can be achieved. The average weighted impact score for the target area is 18.50 and the combined impact is 123. By bridging NSP3 neighborhoods to those containing the approximately 140 housing units impacted through NSP1 and NSP2, this outcome is attainable and is the best focus of these resources for the City of Long Beach.

3. Definitions and Descriptions

Definitions

Term	Definition
Blighted Structure	<p>The California Health and Safety Code Section 33031 describes physical conditions that cause blight related to structures as:</p> <p>33031(a)</p> <ul style="list-style-type: none"> (1) Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions may be caused by serious building code violations, serious dilapidation and deterioration caused by long-term neglect, construction that is vulnerable to serious damage from seismic or geologic hazards, and faulty or inadequate water or sewer utilities. (2) Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots. These conditions may be caused by buildings of substandard, defective, or obsolete design or construction given the present general plan, zoning, or other development standards. <p>33031(b)</p> <ul style="list-style-type: none"> (3) Abnormally high business vacancies, abnormally low lease rates, or an abnormally high number of abandoned buildings. (7) A high crime rate that constitutes a serious threat to public safety and welfare. <p>The Long Beach Municipal Code references blighted structures to buildings or conditions, which will impair or destroy the quality of life, to the detriment of the city, through the deterioration of property and business values for adjacent properties. Long Beach Municipal Code references to the source, condition, prevention, elimination or spread of "Blight" appear in Sections 18.21.010, 18.21.020, and 18.20.030 for the monitoring of vacant buildings; Section 8.56 for the abatement of graffiti on buildings; Section 10.46.010 for the abatement of abandoned and wrecked vehicles; Section 21.10.020 for the protection and preservation of the city's cultural heritage; and Section 21.27.050 as a reason for the abandonment or revocation of a property's non-conforming rights.</p> <p>In addition, the overall spirit of all the regulatory codes used in Code</p>

	Enforcement are designed and written so as to provide standards, which in their application and enforcement will eliminate blighted structures and conditions in whatever capacity it may appear.
Affordable Rents	<p>The generally accepted affordability standard or "Affordable Rent" is rent that does not exceed 30% of the household's income. The CDBG program does not mandate the exact rent to be applied to NSP3 properties. Jurisdictions are, however, allowed to determine the rent standard to be applied and may adopt rent limits similar to those used for the HOME Program. Whichever standard is approved, the rents must be truly affordable to low- and moderate-income households.</p> <p>Section 50053 of the California Health and Safety Code, defines "affordable rents" as rents that do not exceed a certain percentage of the area median income, by income category, adjusted for family size appropriate for the unit.</p> <p>HOME Affordable Rents:</p> <p style="padding-left: 40px;">Maximum HOME rent for a low-income household renting a 3-bedroom unit in the Long Beach area is \$1,365 per month. For a very low-income household the maximum HOME rent is \$1,076 per month. Note that since HOME funds can not be used for moderate-income households, HOME does not publish an affordable rent standard for this income category.</p> <p>A comparison of the Health and Safety Code and HOME rents indicates that the Health and Safety Code rents would provide a more affordable rent. However, the HOME rents, although still considered affordable, would provide a higher rent to the property owner, which may be needed to make the project work financially.</p>

Descriptions

Term	Definition
Long-Term Affordability	To ensure the continued affordability of projects funded by NSP3, affordability covenants will be recorded against the property, thereby restricting the properties for rental or purchase by low-and moderate-income households. For rental projects, the restriction period could range from 5 to 20 years depending on the amount of the NSP3 investment. For-sale properties, affordability will be required for a period of 30 years. Additionally, the City will annually monitor these properties to ensure compliance with the occupancy requirements.
Housing Rehabilitation Standards	<p>Housing Rehabilitation Standards currently in use by the City of Long Beach for all Federal and State housing rehabilitation programs, and application to all NSP3-assisted activities will include:</p> <ul style="list-style-type: none"> • Current Uniform Housing Code, which provides complete requirements affecting conservation and rehabilitation of housing and which are compatible with the Uniform Building

	<p>Code.</p> <ul style="list-style-type: none"> • The 2007 Edition of California Building Code, which incorporates the California Electrical Code, California Plumbing Code, and California Mechanical Code. • City of Long Beach Municipal Code Title 18, Sections 18.24 through 18.40, which describe Electrical, Plumbing and Mechanical Codes and includes Prohibited Uses and Maintenance, which in some instances are more stringent than those of the California Building Code. • City of Long Green Lite Building Policy, which utilizes elements of the LEED Green Building Rating System when replacing building components within the scope of project rehabilitation. This policy primarily consists of replacing damaged or deteriorated components or mechanical systems in connection with project rehabilitation with FSC wood products, Energy Star appliances, low-energy lighting, low-voc paint, low-e windows, recyclable carpet, drought-tolerant planting and irrigation, and construction waste management. • Mitigation of lead-based paint hazards in all residential property built prior to 1978.
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4. Low-Income Targeting

Low-Income Set-Aside Amount

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.

Response:

Total low-income set-aside **percentage** (must be no less than 25 percent): 25%

Total funds set aside for low-income individuals = \$391,984

Meeting Low-Income Target

Provide a summary that describes the manner in which the low-income targeting goals will be met.

Response:

The City is committed to ensuring that a minimum of 25% of NSP3 funding will be used to assist very-low income households (<50% AMI), utilizing strategies previously employed in the NSP1 program.

5. 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
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If yes, fill in the table below.

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

6. 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>Draft versions of the NSP3 Substantial Amendment were posted at the grantee's website at http://www.longbeach.gov/cd/neighborhood_services/default.asp as they were developed. A formal comment-period was open from 12/29/2010 to 01/13/2011, during which time no public comments were received. The plan was also presented at public hearings presented to the Community Development Advisory Commission on January 19, 2011, and before the Long Beach City Council on February 8, 2011.</p>

Summary of Public Comments Received.

No public comments were received during the public comment period or at the January 19, 2011 CDAC meeting. Any public comments received at the February 8, 2011 City Council meeting will be incorporated in this section.

7. NSP Information by Activity

The City will distribute NSP3 funds to the areas of greatest need, based on HUD-assigned NSP3 scores. The selected sites have need scores above 17 and include those with the greatest percentage of home foreclosures, the highest percentage of homes financed by sub prime mortgage loans, and those areas that have been identified by the City as likely to face a significant rise in the rate of home foreclosures. Accordingly, the City will meet the requirements set forth in Section 2301(c)(2) of HERA, as amended by the Recovery Act and the Dodd-Frank Act.

The City will ensure that 100% of NSP3 funds will be used to benefit individuals and households with incomes below 120% of area median income. In addition, at least 25% of NSP3 funds will be used to benefit individuals and households with incomes below 50% of the area median income. Most of the activities eligible under NSP3 represent a subset of the eligible activities under 42 U.S.C. 5305(a). Certain CDBG-eligible activities correlate to specific NSP-eligible uses and vice versa. The City will

undertake the following NSP3 activities to purchase and rehabilitate properties that have been abandoned or foreclosed and to administer NSP3.

Activity Number 1					
Activity Name	Acquisition and Rehabilitation for Resale				
Uses	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	CDBG – 24 CFR 570.201(a) – Acquisition CDBG – 24 CFR 570.201(b) – Disposition CDBG – 24 CFR 570.202 – Rehabilitation				
National Objective	Low, moderate and middle-income persons benefit as defined in the NSP3 notice (\leq 120% Area Median Income).				
Activity Description	<p>The City will expend NSP3 funds to purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell such homes and properties. The resale price will not exceed the aggregate of the acquisition, rehabilitation and delivery costs. The City anticipates that a minimum of 25% of the funding allocated to this activity will be used to assist households earning less than 50% area median income.</p> <p>To implement the activity, the City will leverage other housing resources in order to establish financing mechanisms. This financing mechanism will be overseen by the Long Beach Housing Development Company (LBHDC). LBHDC is a housing agency that promotes neighborhood stabilization through increased home ownership opportunities, principally for the benefit of persons and families of low and moderate income. Through LBHDC’s Second Mortgage Assistance program, these leveraged funds will mainly be used to provide an “affordability gap” soft second mortgage to buyer-occupants of foreclosed homes.</p> <p>The City will also publish a Request for Qualification (RFQ) in order to solicit area construction companies, with preference for those firms providing vicinity hiring to local residents, that will rehabilitate purchased foreclosed properties to meet safety, health and code standards before disposition. The expenditure for rehabilitation will be funded directly through NSP3 funds.</p> <p>The disposition of rehabilitated abandoned/foreclosed residential properties may generate program income. The City will recapture and reuse program income until required expenditure deadlines are reached.</p>				
Location Description	Block groups with risk scores of 17 or higher and combined impact targets of six or less.				
Budget	<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Source of Funding</th> <th style="width: 50%;">Dollar Amount</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Source of Funding	Dollar Amount		
Source of Funding	Dollar Amount				

	NSP3	\$1,411,142.40
	(Other funding source)	\$
	(Other funding source)	\$
Total Budget for Activity		\$1,411,142.40
Performance Measures	The performance measure outcome for this activity will be measured by the number of affordable housing units made available to very-low, low, middle, and moderate-income households. At this time, it is estimated that one very-low-income (<50% AMI) household will benefit utilizing at least 25% of the total funding, and the remaining 75% will benefit a group that can be categorized broadly as 51-120% AMI.	
Projected Start Date	03/01/2011	
Projected End Date	03/01/2014	
Responsible Organization	Name	The primary responsible organization will be the City of Long Beach Development Services Department. The City will work in conjunction with additional partners who will provide a variety of functions including: code inspection, rehabilitation, resale, loan processing and underwriting, and property management services.
	Location	444 W. Ocean Boulevard Suite 1700 Long Beach, CA 90802
	Administrator Contact Info	Alem S. Hagos HUD Grants Officer (562) 570-7403 alem.hagos@longbeach.gov

Activity Number 2		
Activity Name	NSP3 Administration	
Use	Select all that apply: <input type="checkbox"/> Eligible Use A: Financing Mechanisms <input type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation <input type="checkbox"/> Eligible Use C: Land Banking <input type="checkbox"/> Eligible Use D: Demolition <input type="checkbox"/> Eligible Use E: Redevelopment	
CDBG Activity or Activities	CDBG – 24 CFR 570.206	
National Objective	Low, moderate and middle-income persons benefit as defined in the NSP3 notice (\leq 120% Area Median Income).	
Activity Description	General management and oversight of NSP3 activity administrative and delivery costs associated with CDBG-eligible activities as defined in 24 CFR 570.206.	
Location Description	Block groups with risk scores of 17 or higher and combined impact targets of 5 or less.	
Budget	Source of Funding	Dollar Amount

	NSP3	\$156,793.60
	(Other funding source)	\$
	(Other funding source)	\$
Total Budget for Activity		\$156,793.60
Performance Measures	Not applicable for administration.	
Projected Start Date	03/01/2011	
Projected End Date	03/01/2014	
Responsible Organization	Name	City of Long Beach Development Services Department Neighborhood Services Bureau
	Location	444 W. Ocean Boulevard Suite 1700 Long Beach, CA 90802
	Administrator Contact Info	Alem S. Hagos HUD Grants Officer (562) 570-7403 alem.hagos@longbeach.gov

8. 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. [Only States and entitlement jurisdictions use this certification.]

(10) **Use of funds.** The jurisdiction certifies that it will comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act and Title XII of Division A of the American Recovery and Reinvestment Act of 2009 by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, of receipt of the grant.

(11) **The jurisdiction certifies:**

- a. that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and
- b. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive force.** The jurisdiction certifies that it has adopted and is enforcing:

- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
- b. A policy of enforcing applicable state and local laws against physically barring entrance to, or exit from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

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

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

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

(16) **Vicinity hiring.** The jurisdiction certifies that it will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects.

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

Signature/Authorized Official

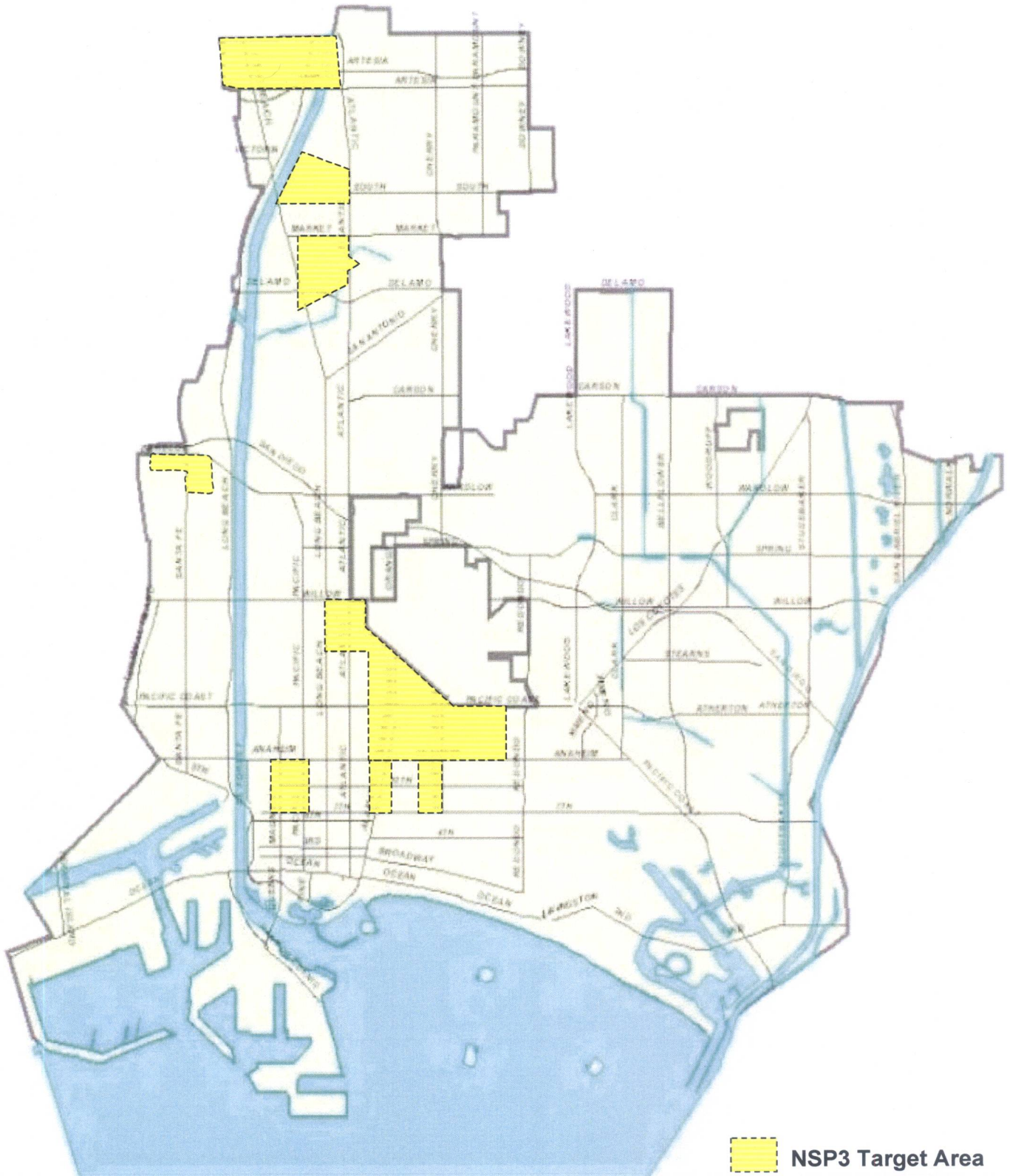
Date

Title

Exhibit 1

HUD Neighborhood ID	Description	Housing Units (#)	Housing Units (%)	Need	Weighted Need	Impact
4283538	Northwest	5484	27%	19.14	5.119683933	56
3895996	West	924	5%	19.00	0.856306702	10
9119720	Central	8187	40%	18.17	7.255769681	38
1235382	Central-West	5907	29%	18.29	5.26968247	19
				Target Area Need Score	18.50	
				Total Impact		123

City of Long Beach



Neighborhood ID: 4283538

NSP3 Planning Data

Grantee ID: 0620880E

Grantee State: CA

Grantee Name: LONG BEACH

Grantee Address: 444 W. Ocean Blvd. Long Beach CA 90802

Grantee Email: gilberto.contreras@longbeach.gov

Neighborhood Name: Area A

Date:2011-01-21 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: 19.14

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 5484

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 77.92

Percent Persons Less than 80% AMI: 61.73

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: 5737

Residential Addresses Vacant 90 or more days (USPS, March 2010): 136

Residential Addresses NoStat (USPS, March 2010): 176

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: 2925

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 35.62

Percent of Housing Units 90 or more days delinquent or in foreclosure: 19.91

Number of Foreclosure Starts in past year: 281

Number of Housing Units Real Estate Owned July 2009 to June 2010: 158

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): 56

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): -29.2

Place (if place over 20,000) or county unemployment rate June 2005¹: 5.8

Place (if place over 20,000) or county unemployment rate June 2010¹: 13.3

¹Bureau 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

-118.208427 33.881105 -118.207741 33.874976 -118.205166 33.874406 -118.191261 33.874976
-118.197441 33.858442 -118.186111 33.857872 -118.185425 33.854451 -118.194008 33.854451
-118.194008 33.847893 -118.193493 33.843758 -118.185081 33.847037 -118.185081 33.848606
-118.182850 33.850031 -118.184223 33.851457 -118.185081 33.852883 -118.184910 33.861721
-118.196068 33.864287 -118.192120 33.868278 -118.191433 33.873551 -118.188858 33.874834
-118.186283 33.874834 -118.186283 33.880392 -118.206539 33.881105

Blocks Comprising Target Neighborhood

060375703011002, 060375703011001, 060375703013009, 060375703013011, 060375703013012,
060375703013010, 060375703013006, 060375703013004, 060375703031000, 060375703031008,
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060375703031006, 060375703031003, 060375703031001, 060375703032000, 060375703032006,
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060375704011020, 060375704011019, 060375704011018, 060375704011007, 060375704011005,
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060375717024004, 060375717024006, 060375717024008, 060375717024007, 060375717024005,
060375717024001, 060375717024002, 060375717025000, 060375717025003, 060375717025005,
060375717025004, 060375717025001, 060375717025002,

Neighborhood ID: 3895996

NSP3 Planning Data

Grantee ID: 0620880E

Grantee State: CA

Grantee Name: LONG BEACH

Grantee Address: 444 W. Ocean Blvd, 17th Floor Long Beach CA 90802

Grantee Email: april.apodaca@longbeach.gov

Neighborhood Name: West

Date:2011-01-21 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: 19

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 924

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 71.21

Percent Persons Less than 80% AMI: 47.8

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: 916

Residential Addresses Vacant 90 or more days (USPS, March 2010): 18

Residential Addresses NoStat (USPS, March 2010): 3

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: 554

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 35.9

Percent of Housing Units 90 or more days delinquent or in foreclosure: 20

Number of Foreclosure Starts in past year: 54

Number of Housing Units Real Estate Owned July 2009 to June 2010: 30

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): 10

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): -29.2

Place (if place over 20,000) or county unemployment rate June 2005: 5.8

Place (if place over 20,000) or county unemployment rate June 2010: 13.3

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.
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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

-118.224649 33.824722 -118.211346 33.824223 -118.211346 33.818733 -118.215809 33.818733

-118.215637 33.822155 -118.224564 33.821870

Blocks Comprising Target Neighborhood

060375723011000, 060375723011006, 060375723011008, 060375723011010, 060375723011012,
060375723011011, 060375723011009, 060375723011007, 060375723011005, 060375723011002,
060375723011003, 060375723011001, 060375723012005, 060375723012007, 060375723012009,
060375723012011, 060375723012013, 060375723012015, 060375723012016, 060375723012014,
060375723012012, 060375723012010, 060375723012008, 060375723012006,

Neighborhood ID: 9119720

NSP3 Planning Data

Grantee ID: 0620880E

Grantee State: CA

Grantee Name: LONG BEACH

Grantee Address: 444 W. Ocean Blvd, 17th Floor Long Beach CA 90802

Grantee Email: april.apodaca@longbeach.gov

Neighborhood Name: Central Central

Date:2011-01-21 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: 18.17

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 8187

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 87.65

Percent Persons Less than 80% AMI: 76.29

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: 7974

Residential Addresses Vacant 90 or more days (USPS, March 2010): 198

Residential Addresses NoStat (USPS, March 2010): 58

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: 2304

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 29.05

Percent of Housing Units 90 or more days delinquent or in foreclosure: 16.78

Number of Foreclosure Starts in past year: 187

Number of Housing Units Real Estate Owned July 2009 to June 2010: 105

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): 38

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): -29.2

Place (if place over 20,000) or county unemployment rate June 2005: 5.8

Place (if place over 20,000) or county unemployment rate June 2010: 13.3

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

-118.156929 33.789848 -118.156929 33.782714 -118.180790 33.782643 -118.180876 33.797409
-118.189459 33.797266 -118.189373 33.804612 -118.182163 33.804541 -118.182249 33.800618
-118.165941 33.789491

Blocks Comprising Target Neighborhood

060375732011000, 060375732011006, 060375732011008, 060375732011010, 060375732011014,
060375732011013, 060375732011012, 060375732011011, 060375732011009, 060375732011007,
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060375752012002, 060375752013000, 060375752013004, 060375752013006, 060375752013008,
060375752013010, 060375752013012, 060375752013011, 060375752013009, 060375752013007,
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060375752023002, 060375752023004, 060375752023005, 060375752023003, 060375752023001,

Neighborhood ID: 1235382

NSP3 Planning Data

Grantee ID: 0620880E

Grantee State: CA

Grantee Name: LONG BEACH

Grantee Address: 444 W. Ocean Blvd, 17th Floor Long Beach CA 90802

Grantee Email: april.apodaca@longbeach.gov

Neighborhood Name: Central West

Date:2011-01-21 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: 18.29

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 5907

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 91.85

Percent Persons Less than 80% AMI: 84.11

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: 5886

Residential Addresses Vacant 90 or more days (USPS, March 2010): 58

Residential Addresses NoStat (USPS, March 2010): 57

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: 1152

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 30

Percent of Housing Units 90 or more days delinquent or in foreclosure: 16.67

Number of Foreclosure Starts in past year: 92

Number of Housing Units Real Estate Owned July 2009 to June 2010: 51

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): 19

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): -29.2

Place (if place over 20,000) or county unemployment rate June 2005: 5.8

Place (if place over 20,000) or county unemployment rate June 2010: 13.3

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

-118.167915 33.782643 -118.167915 33.775438 -118.172207 33.775438 -118.172121 33.782500
-118.176842 33.782500 -118.176670 33.775509 -118.181133 33.775438 -118.181133 33.782572
-118.192549 33.782643 -118.192635 33.775509 -118.199415 33.775509 -118.199501 33.782500

Blocks Comprising Target Neighborhood

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060375758021013, 060375758021012, 060375758021011, 060375758021010, 060375758021009,
060375758021007, 060375758021002, 060375758021004, 060375758021005, 060375758021006,
060375758021003, 060375758021001, 060375758022000, 060375758022038, 060375758022037,
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