

# PROPOSED DCA NSP 3 APPLICATION

## 1. NSP 3 Grantee Information

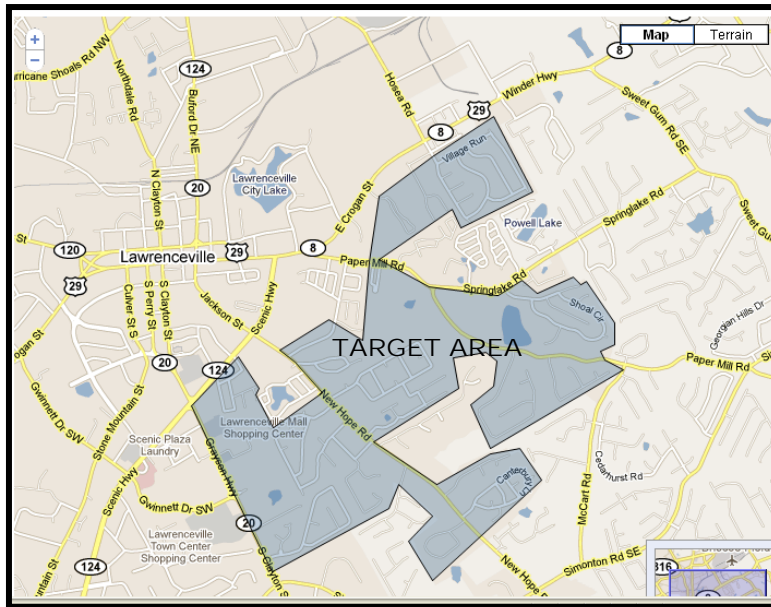
NSP Grant Amount: \$3,493,895

NSP3 Program Administrator Contact Information	
<b>Name (Last, First)</b>	G. William Kingsbury
<b>Email Address</b>	<a href="mailto:william.kingsbury@gwinnettcountry.com">william.kingsbury@gwinnettcountry.com</a>
<b>Phone Number</b>	770-822-5424
<b>Mailing Address</b>	Gwinnett County Neighborhood Stabilization Program 575 Old Norcross Road, Suite C Lawrenceville, GA 30046

## 2. Areas of Greatest Need

### Map Submission

The target area, depicted in the map below, was selected by using the HUD-provided map tool. A larger Target Area map is presented on page 17 along with the HUD produced NSP3 Planning Data. The Target Area is within the City of Lawrenceville.



### Data Sources Used to Determine Areas of Greatest Need

Describe the data sources used to determine the areas of greatest need.
<p>Response:</p> <p>Primary source is the HUD Foreclosure Need website, supplemented by data from the Gwinnett County Tax Commissioner's Office and the Gwinnett County Division of Information Technology Services. These data were compiled by the Gwinnett County Department of Planning and Development for use in this NSP 3 Action Plan amendment.</p>

## Determination of Areas of Greatest Need and Applicable Tiers

<p><b>Describe how the areas of greatest need were established and whether a tiered approach is being utilized to determine the distribution of funding.</b></p>
<p>Response.</p> <p>Using the scores provided in the HUD Foreclosure Needs website, project areas were chosen with scores of 17 or greater, where supplemental data showed a high number of foreclosures within the last year and a high percentage of homes financed by high cost primary mortgages. The County foreclosure rate, according to HUD provided data, is 10.3 per cent. The Census Tracts in which the target area is located had a foreclosure rate of 25.1%. In addition, the mortgage payment delinquency rate is high according to the HUD data. The County delinquency average at 6.9%, while the Census Tracts in which the target area is located is had a rate of 8.8%.</p> <p>In addition to the scores, the area was selected based on its access to public transportation, community facilities and employment, as depicted in the attached maps.</p>

## 3. Definitions and Descriptions

### Definitions

Term	Definition
Blighted Structure	Pursuant to O.C.G.A. 22-1-1 "Blighted property," "blighted," or "blight" means any urbanized or developed property which: (A) Presents two or more of the following conditions: (i) Uninhabitable, unsafe, or abandoned structures; (ii) Inadequate provisions for ventilation, light, air, or sanitation; (iii) An imminent harm to life or other property caused by fire, flood, hurricane, tornado, earthquake, storm, or other natural catastrophe respecting which the Governor has declared a state of emergency under state law or has certified the need for disaster assistance under federal law; provided, however, this division shall not apply to property unless the relevant public agency has given notice in writing to the property owner regarding specific harm caused by the property and the owner has failed to take reasonable measures to remedy the harm; (iv) A site identified by the federal Environmental Protection Agency as a Superfund site pursuant to 42 U.S.C. Section 9601, et seq., or environmental contamination to an extent that requires remedial investigation or a feasibility study; (v) Repeated illegal activity on the individual property of which the property owner knew or should have known; or (vi) The maintenance of the property is below state, county, or municipal codes for at least one year after notice of the code violation; and (B) Is conducive to ill health, transmission of disease, infant mortality, or crime in the immediate proximity of the property.
Affordable Rents	The State requires all NSP 3 program recipients to follow the HUD regulations as set forth in 24 CFR 92.252.

## Descriptions

Term	Definition
Long-Term Affordability	<p>Under NSP, The State requires NSP 3 projects to follow the affordability requirements for the HUD HOME program as set forth in 24 CFR 92.252 (2) (2) for rental housing and in 24 CFR 92.254 for homeownership housing, based on the amount of NSP 3 funds provided for each project. All rental housing affordability restrictions will be imposed by deed restrictions. When there is more than one financing source (besides NSP 3) imposing land use restrictions on a project, the most restrictive requirements will apply to the project.</p> <p>For homeownership projects, the DCA NSP 3 program loan documents will include a subordinate deed to secure debt, loan agreement and/or note will be used to enforce the required period of affordability.</p> <p>In accordance with HERA, in the case of previously HOME-assisted properties for which affordability restrictions were terminated through foreclosure or deed in lieu of foreclosure, an NSP 3 grantee will be required to reinstate the HOME affordability restrictions for the remaining period of HOME affordability or any more restrictive continuing period of affordability required by any other financing source participating in the NSP 3 project.</p>
Housing Rehabilitation Standards	<p>DCA requires that: newly constructed or rehabilitation of single or multi-family residential structures being funded using NSP 3 assistance must, at project completion, meet all applicable regulations in accordance with Minimum Standard Georgia Building Codes (<a href="http://www.dca.state.ga.us/development/constructioncodes/programs/codes2.asp">http://www.dca.state.ga.us/development/constructioncodes/programs/codes2.asp</a>) as well as all locally adopted codes. Additionally all units for these activities will be required to meet the following:</p> <ul style="list-style-type: none"> <li>• All gut rehabilitation or new construction of residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes.</li> <li>• All gut rehabilitation or new construction of mid- or high-rise multifamily housing must meet the Energy Star standard for multifamily buildings piloted by the Environmental Protection Agency and the Department of energy.</li> <li>• All rehabilitation projects must replace older obsolete products and appliances with Energy Star labeled products and install water efficient toilets, showers and faucets.</li> <li>• To the maximum extent feasible, all projects funded will provide for the hiring of employees who reside in the vicinity of projects funded by NSP 3 or contract with small businesses owned and operated by persons residing in the vicinity of such projects.</li> <li>• All requirements of 24 CFR Part 35 as related to lead-based paint shall apply to NSP activities.</li> </ul> <p>All single and/or multifamily residential structures must also meet all federal and state accessibility requirements including but not limited to those associated with the use of federal funds.</p>

## 4. Low-Income Targeting

### Low-Income Set-Aside Amount

Enter the low-income set-aside percentage in the first field. The field for total funds set aside will populate based on the percentage entered in the first field and the total NSP3 grant.

<b>Identify the estimated amount of funds appropriated or otherwise made available under the NSP 3 to be used to provide housing for individuals or families whose incomes do not exceed 50 percent of area median income.</b>
Response: Total low-income set-aside <b>percentage</b> (must be no less than 25 percent): 25.00% Total funds set aside for low-income individuals = \$ 873,473.75

### Meeting Low-Income Target

<b>Provide a summary that describes the manner in which the low-income targeting goals will be met.</b>
Response: The low-income targeting goal will be met by a combination of providing opportunities for low -income families to purchase homes with NSP 3 grant funds and/or program income and, by providing rental housing which is purchased/rehabilitated with NSP 3 grant funds and/or program income. Rental housing will be provided by a GCNSP selected Asset Manager(s) (a for-profit and/or non-profit contractor or developer) who has experience in the development and operation of rental housing for low-income families. The GCNSP will loan the Asset Manager(s) the funds to purchase and rehabilitate rental units, including initial capitalization funds. The loans will be backed by promissory notes, security deeds and land use restrictions that set forth the responsibility of the Asset Manager(s) to provide housing for low-income families during the affordability period. These documents will have reversion provisions if the Asset Manager(s) does not provide the housing as set forth in the documents.

## 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)?	<u>No</u> demolition or conversion
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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.	NA
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).	NA
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	NA

## 6. Public Comment at

### Citizen Participation Plan

**Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment or abbreviated plan.**

Response:

Citizen Participation will be carried out as set forth in Gwinnett County 2030 Unified Plan. The Plan contains the required elements listed in the Consolidated Plan regulations at 23 CFR 91.105 with the exception that the public review period for this amendment was 15 days rather than 30 days as allowed in the Notice of Formula Allocations and Program Requirements For Neighborhood Stabilization Program Formula Grants, published starting on page 64322 of the Federal Register/Vol. 75, No. 201, Tuesday, October 19, 2010/Notices.

Prior to the Gwinnett County Board of Commissioners approval of the amendment to the current Action Plan 2010 to include the NSP 3 Action Plan, the proposed amendment was posted on the Gwinnett County Neighborhood Stabilization Program web site, [www.nspgwinnett.com](http://www.nspgwinnett.com), and copies of the proposed NSP 3 Action Plan amendment was available for public viewing during normal business hours at the Gwinnett Neighborhood Stabilization offices and at the Lawrenceville City Hall. A Public Hearing was held at the Lawrenceville City Hall to receive public comments on March 22 at 10:00 A.M.. The availability of the amended Action Plan and the date and time of the public hearing was advertized in the Legal Organ for Gwinnett County, *The Gwinnett Daily Post*, cable television announcements and notices to citizens and neighborhood organizations. The advertisements and announcements will include the amount of the award, the allocation of funds, the geographic areas to be served and the income eligibility of those who can participate in the program. Public comments was solicited at the public hearing, via mail, and through and e-mail. Notice of the public hearing was included in the material submitted to the Gwinnett County Board of Commissioners prior to their consideration of the NSP 3 amendment to Action Plan 2010.

Provisions for Non-English Speaking Residents - Gwinnett County uses multi-lingual county personnel who act as interpreters , when required, at public hearings. Local contact persons are asked to identify non-English Speaking residents, prior to the public hearings so that adequate arrangements can be made to accommodate such citizens. Non-English speaking persons or their community representative should contact the Neighborhood Stabilization Program office at least five (5) business days prior to the public hearing date to allow time to make arrangements to have a translator present at the Public Hearing.

#### Provisions for Persons With Hearing Impairments

Persons who are deaf or have hearing impairments who wish to participate in Public Hearings and who need to have a person to "sign" for them at the Public Hearing should contact the Community Development Program via the Georgia Relay Center [**TDD/TTY 7-1-1 or 1-800-255-0056**] at least five (5) working days prior to the public hearing date. The Georgia Relay Center is operated, free to users, by AT & T.

#### Provisions for Persons With Speech Disabilities

Persons who have a speech disability can utilize a service called Speech-to-Speech (STS) Relay through the Georgia Relay Service, operated free of cost to users by AT&T. Speech-to-Speech service enables a speech-disabled person to use the Georgia Relay Service with his/her own voice synthesizer, rather than using a TDD/TTY device. Callers using the STS service can call either [**7-1-1 or 1-888-202-4082**] to use the

service.

Persons with who are deaf, hard of hearing or speech disabled may also use a relay service over the internet at [www.hamiltonrelay.com](http://www.hamiltonrelay.com) to connect to a specially trained Communications Assistant. This service may also be accessed by calling hipvrs.com from a D-Link videophone to access video relay service, where a certified American Sing Language (ASL) interpreter will relay your signed conversation to the hearing party.

This statement shall be published in advertisements announcing public hearings.

#### COMMENTS AND COMPLAINTS

Gwinnett County will consider any comments or views of citizens, agencies, or other interested parties received in writing, or orally at public hearings, in preparing the NSP3 Action Plan to the Action Plan 2010, or other report or documents. A summary of these comments or views not accepted and the reasons for non-acceptance will be attached NSP 3 Action Plan Amendment to Action Plan 2010, or reports.

#### Non-Discrimination Policy/Complaint Review Process

It is the policy of Gwinnett County to provide equal opportunity for services without regard to race, color, sex, age, national origin, religion, political affiliation, presence of handicap or disability, or familial status.

It is the policy of Gwinnett County that no person shall, on the grounds of political affiliation, religion, race, color, sex, handicap status, age, financial status, or national origin, be excluded or, be denied the benefits of, or be subjected to discrimination under any program or activity administered by the Gwinnett County Community Development Program.

Persons who feel they have been discriminated against or have a complaint pertaining to the Gwinnett County Consolidated Plan, plan amendments, or performance report may file a complaint, in writing, with:

Official Representative, HUD Grant Programs  
Gwinnett County Department of Financial Services  
Gwinnett Justice and Administration Center  
75 Langley Drive  
Lawrenceville, Georgia 30045-6935

The Complaint must contain the following information:

- (1) Name and address of the Complainant (person[s] filing the complaint);
- (2) A description of the act or acts considered to be in violation;
- (3) Other available pertinent information which will assist in the investigation of the complaint.

Such complaints should be filed within 60 days of the alleged discriminatory act. A written response as to the disposition of the complaint will be issued not later than 15 working days after the receipt of the complaint. The response will include information concerning the right of appeal, should the complainant disagree, in whole or in part with the resolution. A complainant who is dissatisfied with the response to a complaint. Such complaints should be filed within 60 days of the alleged discriminatory act. A written response as to the disposition of the complaint, or if the response is delayed more than 15 working days, may appeal in writing to:

Director  
Gwinnett County Department of Financial Services  
Gwinnett Justice and Administration Center  
75 Langley Drive  
Lawrenceville, Georgia 30045-6935

A written response as to the disposition of the complaint will be issued by the Director, Gwinnett County Department of Financial Services, not later than 30 working days after the receipt of the appeal. If the complainant is dissatisfied with the response of the Director, he/she may submit the complaint, in writing, to:

Program Manager  
Neighborhood Stabilization Manager  
Community Development and Finance Division  
Georgia Department of Community Affairs  
60 Executive Park South  
Atlanta, GA 30329-2231

### **Summary of Public Comments Received.**

A summary of public comments received will be attachments to this document.

## **7. NSP Information by Activity**

### ***MARKET ANALYSIS***

A market analysis of the area in which the target neighborhood will be located was undertaken using information provided by the First Multiple Listing Service. The study examined the real estate activity in the elementary school district that serves the area. Although the school district is somewhat larger than the target area, the study gives a good indication of the market conditions in the area. The study included homes with listing prices of up to \$185,000.

In 2010, 168 homes were sold and closed (averaging 14 homes per month). On January 1, 2011, 112 homes were listed for sale in the area, representing a 9.3 month's supply of homes for sale in the area. Of the 168 homes sold, 63 [37.5%] of all homes sold were foreclosed and/or bank owned. Another 8 homes were offered as "short sales."

The average price of homes sold in the area in 2010 was \$102,006.00, representing 92 % of the average listing price of \$106,814.14.

The market analysis documents that the area is appropriate for the NSP 3 program. Foreclosed homes are available for purchase, and the turnover rate, while low, is in the range to make the sale of rehabilitated homes feasible. Therefore, the Grantee Driven approach will encourage homeownership and provide affordable housing in the area.

### ***IMPLEMENTATION PROGRAM – A PARTNERSHIP***

The Gwinnett County Neighborhood Stabilization Program 3 will initiate an approach that includes the active participation of the City Of Lawrenceville, the Lawrenceville Housing Corporation, the Gwinnett County HOME Program, the Gwinnett County Homeowner Housing Rehabilitation Program, and Asset Manager(s), to be selected.

### **The Gwinnett County Neighborhood Stabilization Program**

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Files\Content.Outlook\3XQC3PXN\Proposed Amended Action Plan 2010 - NSP 3 - 3-19-2011 (2).doc 7

The Gwinnett County Neighborhood Stabilization Program (GCNSP) will be the lead entity for NSP 3 in Gwinnett County and will administer the program. The GCNSP will direct the purchase/rehabilitation of properties, and the sale of the homes to qualified homebuyers. It will also oversee the purchase of rental properties by organizations that have the experience in operating affordable housing projects for low-income households.

- **SINGLE FAMILY PROPERTIES**

- Purchase

Properties to be purchased will be selected based on a team approach consisting of representatives of Gwinnett County NSP (GCNSP), the City of Lawrenceville and the Asset Manager(s).

The Asset Manager(s) will purchase the properties using loans from GCNSP with 0% interest. The acquisition loans will be repaid to the County at the time of sale of the property to an eligible homebuyer.

The Asset Manager(s) will manage the properties and will market the properties using normal real estate practices.

Due Diligence will be undertaken prior to NSP approval for the purchase of the properties by an Asset Manager(s). This will include title search, appraisals, home inspections and specialized testing. Depending upon the results of the due diligence, the property will then be purchased.

- Rehabilitation

Rehabilitation work will be performed by the Asset Manager(s), with the rehabilitation costs determined through negotiations between the NSP staff, City of Lawrenceville staff, the NSP home inspector and the Asset Manager(s). NSP will have final approval of the rehabilitation cost and contract. The home inspector will inspect the work as to its quality and completeness prior to payment being made to the Asset Manager(s).

- Sale

Properties will be offered for sale to eligible homebuyers. The homebuyer must not currently own residential property, must: (1) qualify for a 30 year fixed rate mortgage, (2) invest 1 % of the purchase price towards buying the home, (3) complete an 8 hour pre-purchase course provided by a HUD approved housing counseling organization, (4) occupy the home as their principal resident, and the total income for all members of the homebuyer household cannot exceed 120 % of the AMI.

Long-term affordability is provided to the homebuyer through a “soft second” loan. The terms are \$14,500 for five (5) years or \$22,500 for ten (10) years at zero (0%) interest rate with no scheduled payments, and with the principal being reduced proportionally each year starting in the first year. At any time during the loan period, If the house is no longer occupied by the homebuyer’s at his/her principal place of residence, any remaining principal must be repaid to the County.

- Recapture

Upon the occasion of the sale or transfer of ownership of the property by the Asset Manager, the Asset Manager(s) will repay the NSP program. This and any other funds realized from the sale of the property will be Program Income, with no less than 90% of income being used to for

NSP 3 eligible activities. Not more than 10% of the Program Income will be used to administer NSP 3.

- **RENTAL HOUSING**

Rental housing will be provided by an Asset Manager(s) selected by Gwinnett County. The Asset Manager(s) must with experience in the development and operation of rental housing for low-income households. The GCNSP will loan the Asset Manager(s) the funds to purchase and rehabilitate rental units, including initial capitalization funds. The loan(s) will be backed by promissory notes, security deeds and land use restrictions that set forth the responsibility of the Asset Manager(s) to provide housing for low-income households during the affordability period for each respective property. These documents will have reversion provisions if the Asset Manager(s) does not provide the housing as set forth in the documents.

### **CITY OF LAWRENCEVILLE**

All project areas are within the City of Lawrenceville. The City will provide the personnel to develop and implement a comprehensive plan to stabilize neighborhoods receiving NSP 3 assistance.

- **Public Improvements.** The City of Lawrenceville will invest approximately \$727,000 in the target area to construct/reconstruct sidewalks and storm Water projects along Paper Mill Road. The improvements will be financed as follow: Georgia Department of Transportation (TC Grant), \$400,000; City Matching Funds, \$80,000; Lawrenceville Storm Water Authority, \$225,000; Gwinnett County Community Development Block Grant Funds; \$12,000, and Private Funds, \$10,000.
- **Code Enforcement.** The Lawrenceville Quality of Life Division will place emphases on the target areas to help stabilize the neighborhoods more rapidly and to improve the living conditions in the neighborhoods.
- **Homeowners Associations.** Recent growth of neighborhood associations is having a positive effect in Lawrenceville, largely accomplished through citizens acting to improve their neighborhoods. The City will provide leadership to create and strengthen the associations within the target neighborhoods; thereby providing a channel for communication and cooperation within the target areas.
- **Crime Watch.** The Lawrenceville Police Department has a long history of working with the neighborhoods and their residents. Priority attention will be given to the neighborhoods in the target area.
- **Responsible Homeownership.** NSP 3 homebuyers will receive pre-purchase counseling and classes on home purchases, home maintenance, and homeownership responsibilities. Utilizing existing resources, similar classes will be brought to neighborhood residents to encourage on-going home maintenance and neighborhood participation.
- **Awareness.** A number of home improvements programs are available to the low- and moderate-income homeowner. However, many homeowners are not aware of these programs, including weatherization, energy credits and low or no cost housing rehabilitation. The City will

establish an awareness program and a “one-stop-shop” where target area residents can learn about of these programs. Using such programs, in connection with the public initiatives set forth above, will encourage further investment and strengthen ownership within the selected neighborhoods.

### **LAWRENCEVILLE HOUSING CORPORATION**

Gwinnett County has proposed the award of HOME Program funds [\$690,478.05] to the Lawrenceville Housing Corporation, a non-profit Community Housing Development Organization [CHDO] to acquire, rehabilitate vacant foreclosed single-family houses for sale to low-income households (with total household income that does not exceed 80% of the Area Median Income). The LHC will place its highest priority on expending these funds in the target area selected for NSP 3.

### **THE GWINNETT COUNTY HOME PROGRAM**

Gwinnett County will use HOME Program funds to provide the “soft second” homeownership assistance to NSP 3 homebuyers whose income does not exceed 80 per cent of Area Median Income. It is estimated that approximately \$90,000.00 from HOME Program funds will be used for this purpose.

### **THE GWINNETT COUNTY HOMEOWNER HOUSING REHABILITATION PROGRAM**

The Gwinnett County Homeowner Housing Rehabilitation Program will be active in the target area by educating existing homeowners of the availability of housing rehabilitation loans to help preserve their homes.

### ***Leveraging***

Private mortgages lenders will invest an estimated \$1,200,000 into the project by providing fist mortgages to eligible homebuyers. These funds will serve as the source of Program Income that will allow the Gwinnett NSP to purchase/rehabilitate additional homes for sale to eligible homebuyers.

### ***Employment of Target Area Residents***

The investment of NSP 3 funds in the target area will generate potential jobs to those living in the target area. The Asset Manager(s) will be required to advertize for workers through ads in publications, mailings, ads on government web sites, posted announcements in community centers, churches and at the NSP 3 job sites. The local office of the Georgia Department of Labor will also be notified. Proof of these actions will be filed with the GCNSP office and records of locally employed persons will be maintained by the Asset Manager(s), with copies provided to the GCNSP office.

### **SUMMARY (Addressing the local market)**

The purchase, rehabilitation and sale of homes to purchasers willing to make a long term investment into their homes, along with aggressive code enforcement, crime prevention, home improvements to existing homes, and strengthened neighborhood associations will be a major step toward stabilizing housing prices, improving the character of the neighborhood and stabilizing the social fabric of the target area. Working together, the Gwinnett Neighborhood Stabilization Program, the City of Lawrenceville, the Lawrenceville Housing Corporation, the Gwinnett County HOME Program, the Gwinnett County Homeowner Housing Rehabilitation Program and the selected Asset Manager(s) can make a major impact in the target area.

Activity Number 1				
<b>Activity Name</b>	Eligible Use A: Financing Mechanisms <b>NA</b>			
<b>Eligible Uses</b> Check all that apply	<b>Check</b>	<b>Activity</b>	<b>\$ Amount</b>	<b># Units</b>
	<input type="checkbox"/>	005-A-H – Homebuyer Counseling (LH25)		
	<input type="checkbox"/>	005-A-I - Homebuyer Counseling (LMMI)		
	<input type="checkbox"/>	013-A-H – Homebuyer Assistance (LH25)		
	<input type="checkbox"/>	013-A-I - Homebuyer Assistance (LMMI)		
		Total	\$	
<b>Activity Description</b>	(Describe all Activities to be implemented for this Eligible Use)			
<b>Location Description</b>	(Enter Area(s) of Greatest Need where Activities will be implemented)			
<b>Additional Budget</b>	<b>Source(s) of Funds</b>			<b>Dollar Amount</b>
	(Enter other funding source)			
	(Enter other funding source)			
<b>Responsible Organization</b>	<b>Name</b>			
	<b>Address</b>			
	<b>Administrator Contact Info – Telephone and Email Address</b>			
	<b>Administrator Contact Info – Telephone and Email Address</b>			

Activity Number 2				
Activity Name	Eligible Use B: Acquisition and Rehabilitation			
<b>Eligible Uses</b> Check all that apply	<b>Check</b>	<b>Activity</b>	<b>\$ Amount</b>	<b># Units</b>
	X	001-B-H – Acquisition (LH25)	\$ 621,355.31	8
	X	001-B-I - Acquisition (LMMI)	\$ 1,639,340.66	15
	X	013-B-H – Homebuyer Assistance (LM25)	\$ 45,000.00	2
	X	013-B-I - Homebuyers Assistance (LMMI)	\$ 180,000.00	8
	X	14A-B-H – Rehabilitation (LH25)	\$ 207,118.44	8
	X	14A-B-I - Rehabilitation (LMMI)	\$ 591,446.89	15
		Total	\$ 3,284,261.30	
<b>Activity Description</b>	<p>Low Income (LH25)            The low-income targeting goal will be met by a combination of providing opportunities for low-income households to purchase rehabilitated homes, and by providing rental housing. Rental housing will be provided by a GCNSP selected Asset Manager(s) with has experience in the development and operation of rental housing for low-income households. The GCNSP will loan the Asset Manager(s) the funds to purchase and rehabilitate rental units, including initial capitalization funds, determined on a case-by-case basis. The loans will be backed by promissory notes, security deeds and land use restrictions that set forth the responsibility of the Asset Manager(s) to provide housing for low-income families during the affordability period. These documents will have reversion provisions if the Asset Manager(s) does not provide the housing as set forth in the documents. Where homes are sold to homebuyers, homebuyer’s assistance will be provided through a “Soft Second Mortgage with no payments and interest as long as the family remains in the home. The deed and note will have pay back requirements if the property is no longer the principal residence of the homebuyer.</p> <p>Low- Mod-Middle Income (LMMI)            Foreclosed homes will be purchased within the target area, rehabilitated, and sold to households with total income from all household members that does not exceed 120% of Area Median Income. Homebuyer’s assistance will be provided through a “Soft Second Mortgage with no payments and interest as long as the family remains in the home. The deed and note will have pay back requirements if the property is no longer the principal residence of the homebuyer.</p>			

<b>Location Description</b>	See Target Area Map in item 2 above.	
<b>Additional Budget</b>	<b>Source(s) of Funds</b>	<b>Dollar Amount</b>
	Home Program LH25 LMMI	\$45,000.00 \$45,000.00
	<b>Name</b>	Gwinnett County Neighborhood Stabilization Program
<b>Responsible Organization</b>	<b>Address</b>	575 Old Norcross Road, Suite C Lawrenceville, GA 30046-4367
	<b>Administrator Contact Info – Telephone and Email Address</b>	G. William Kingsbury 770 822-5424 <a href="mailto:william.kingsbury@gwinnettcountry.com">william.kingsbury@gwinnettcountry.com</a>

Activity Number 3					
<b>Activity Name</b>	Eligible Use D: Demolition <b>NA</b>				
<b>Eligible Uses</b> Check all that apply	<b>Check</b>	<b>Activity</b>	<b>\$ Amount</b>	<b># Units</b>	
	<input type="checkbox"/>	004-D-H (LH25)			
	<input type="checkbox"/>	004-D-I (LMMI)			
		Total	\$		
<b>Activity Description</b>					
<b>Location Description</b>	See Target Area in Item 2 above.				
<b>Additional Budget</b>	<b>Source(s) of Funds</b>		<b>Dollar Amount</b>		
	None				
	<b>Name</b>				
<b>Responsible</b>	<b>Address</b>				

<b>Organization</b>	<b>Administrator Contact Info – Telephone and Email Address</b>	
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Activity Number 4				
<b>Activity Name</b>	Eligible Use E: Redevelopment <b>NA</b>			
<b>Eligible Uses Check all that apply</b>	<b>Check</b>	<b>Activity</b>	<b>\$ Amount</b>	<b># Units</b>
	<input type="checkbox"/>	012-E-H (LH25)		
	<input type="checkbox"/>	012-E-I (LMMI)		
		Total		
<b>Activity Description</b>	(Describe all Activities to be implemented for this Eligible Use)			
<b>Location Description</b>	(Enter Area(s) of Greatest Need where Activities will be implemented)			
<b>Additional Budget</b>	<b>Source(s) of Funds</b>			<b>Dollar Amount</b>
	(Enter other funding source)			
	<b>Name</b>			
<b>Responsible Organization</b>	<b>Address</b>			
	<b>Administrator Contact Info – Telephone and Email Address</b>			

Activity Number 5				
<b>Activity Name</b>	Administration (eligible for up to 6% of award amount)		Amount	
<b>Eligible Uses Check all that apply</b>	<input checked="" type="checkbox"/>	21A-X - Administration	\$ 209,633.70	
	<input type="checkbox"/>			

	Total	\$ 209,633.70		
<b>Activity Description</b>	Program Administration - 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.			
<b>Location Description</b>	See Target Area Map in item 2 above.			
<b>Additional Budget</b>	<b>Source(s) of Funds</b>	<b>Dollar Amount</b>		
	(Enter other funding source)			
	<b>Name</b>	Gwinnett County Neighborhood Stabilization Program		
<b>Responsible Organization</b>	<b>Address</b>	575 Old Norcross Road, Suite C Lawrenceville, GA 30046-4367		
	<b>Administrator Contact Info – Telephone and Email Address</b>	G. William Kingsbury 770 822-5424 <a href="mailto:william.kingsbury@gwinnettcounty.com">william.kingsbury@gwinnettcounty.com</a>		

## **CAPABILITIES TO ADMINISTER THE PROJECT**

Gwinnett County has in place structure and staff that has been successful in executing NSP 1. It has purchased 77 single family homes (including 15 homes with DCA grant funds), sold 42 homes ( including 5 homes using funds from DCA) and has generated in excess of \$5.6 million in Program Income including \$920,981 from the sale of DCA funded properties.

In addition, \$967,000 for Homebuyer's Assistance has been provided (\$112,500 to purchasers of DCA funded homes). Both NSP and HOME funds (\$225,000) have been used, thus allowing more NSP funds to be used for additional purchases and rehabilitation.

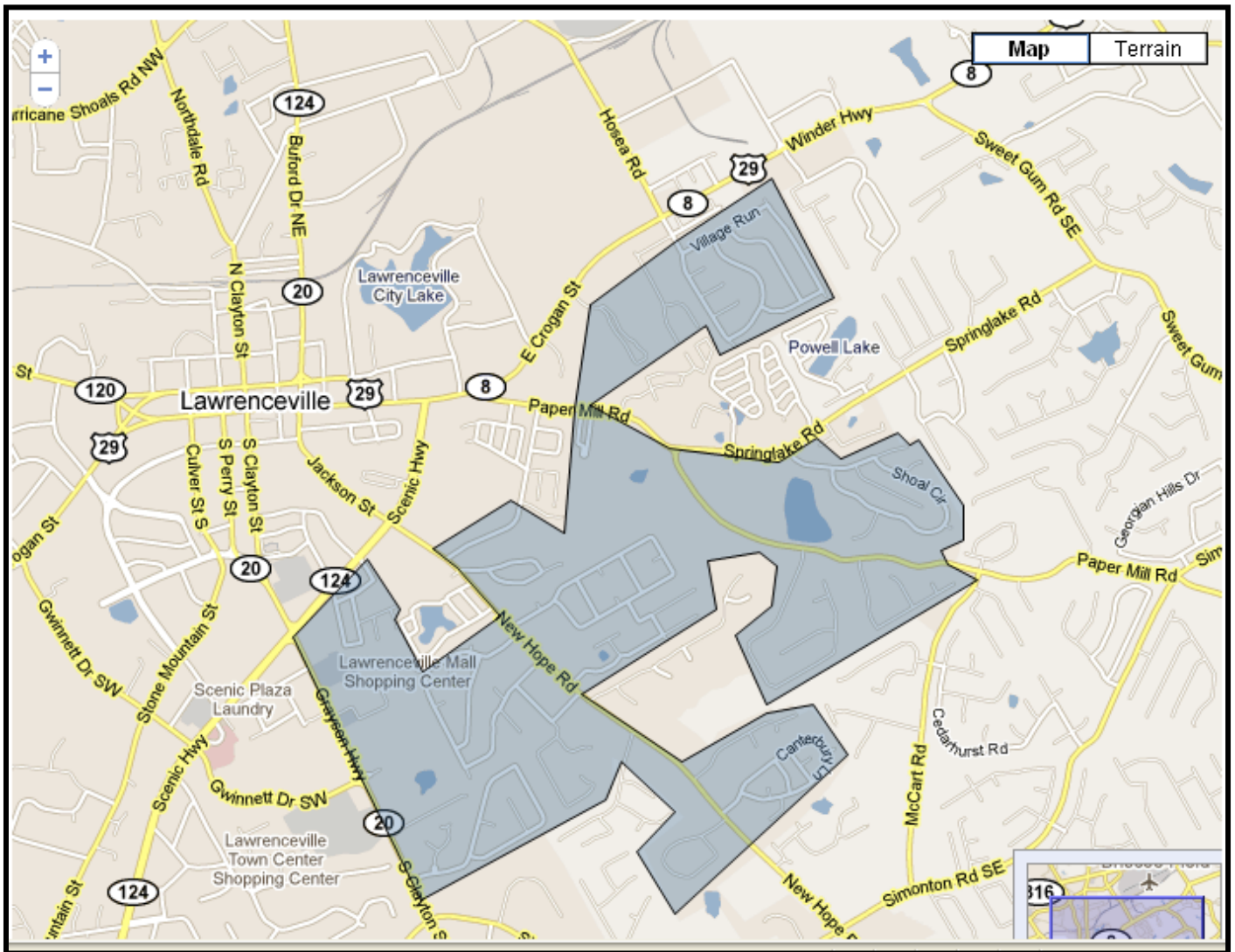
Gwinnett County NSP also funded the purchase and monitored the redevelopment of a 92 unit low income rental housing development, allowing the County to exceed the mandated goal of allowing 25% of the grant funds for assistance to households whose income is no greater than 50% of the **area** median income. In addition, five additional homes have been sold to homebuyers in this low income category.

The success of Gwinnett County has been the result of the uniting of those with strong backgrounds in federally and state funded programs with others who have expertise in real estate and financing. Working under the direction of the Gwinnett Department of Financial Services and the Community Development Program, the NSP staff consist of a Director with over 20 years of real estate experience, a Financial Specialist with over 15 years of mortgage and financing experience, a Office Manager with over 12 years of experience in maintaining the financial records of real estate and construction firms. The Gwinnett County NSP uses the Gwinnett County Community Development Program staff to provide intake services to verify income of potential NSP home purchasers.

The staff's expertise is augmented by general legal council with national experience in federal and state funded housing, two closing attorneys, three real estate appraisers, and a HUD Certified housing inspector. An information technology specialist is also utilized to develop an NSP database that generates reports to track the activities of the program and to reconcile with the County financial system and with DRGR. The Gwinnett County's Department of Planning and Development, the Communication Division, and other departments provide additional support to the Gwinnett Neighborhood Stabilization Program.

# Maps

## TARGET AREA



Neighborhood ID: 9093353

### **NSP3 Planning Data**

Grantee ID: 1313500C

Grantee State: GA

Grantee Name: GWINNETT COUNTY

Grantee Address: 575 Old Norcross Rd, Suite C Lawrenceville GA 30046

Grantee Email: [nsp@gwinnettcountry.com](mailto:nsp@gwinnettcountry.com)

Neighborhood Name: N 4

Date:2011-02-04 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: 17.45

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 1345

#### Area Benefit Eligibility

Percent Persons Less than 120% AMI: 74.86

Percent Persons Less than 80% AMI: 54.24

#### 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: 2354

Residential Addresses Vacant 90 or more days (USPS, March 2010): 52

C:\Documents and Settings\rwthompson\Local Settings\Temporary Internet

Files\Content.Outlook\3XQC3PXN\Proposed Amended Action Plan 2010 - NSP 3 - 3-19-2011 (2).doc 19

Residential Addresses NoStat (USPS, March 2010): 230  
*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: 1040  
Percent of Housing Units with a high cost mortgage between 2004 and 2007: 25.76  
Percent of Housing Units 90 or more days delinquent or in foreclosure: 10.24  
Number of Foreclosure Starts in past year: 91  
Number of Housing Units Real Estate Owned July 2009 to June 2010: 49

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): 18

#### 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): -11.6

Place (if place over 20,000) or county unemployment rate June 2005: 6.28

Place (if place over 20,000) or county unemployment rate June 2010: 13.46

-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.

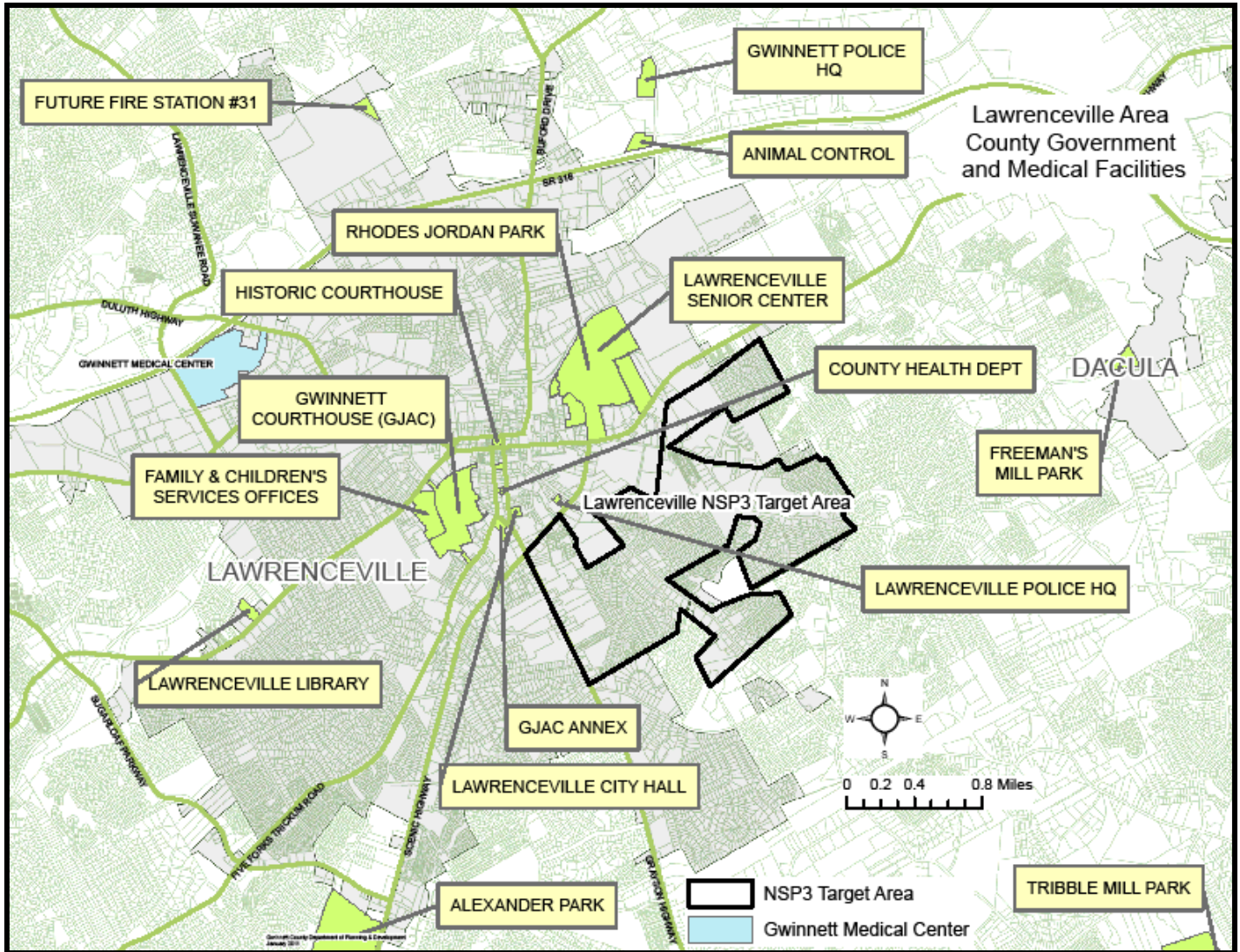
Latitude and Longitude of corner points

-83.967004 33.963366 -83.962326 33.965964 -83.959236 33.961017 -83.964901 33.958667 -  
83.965588  
33.959878 -83.971381 33.956603 -83.967390 33.954823 -83.961940 33.954218 -83.960094  
33.955215  
-83.958850 33.954431 -83.956103 33.955464 -83.955460 33.954930 -83.955073 33.955179 -  
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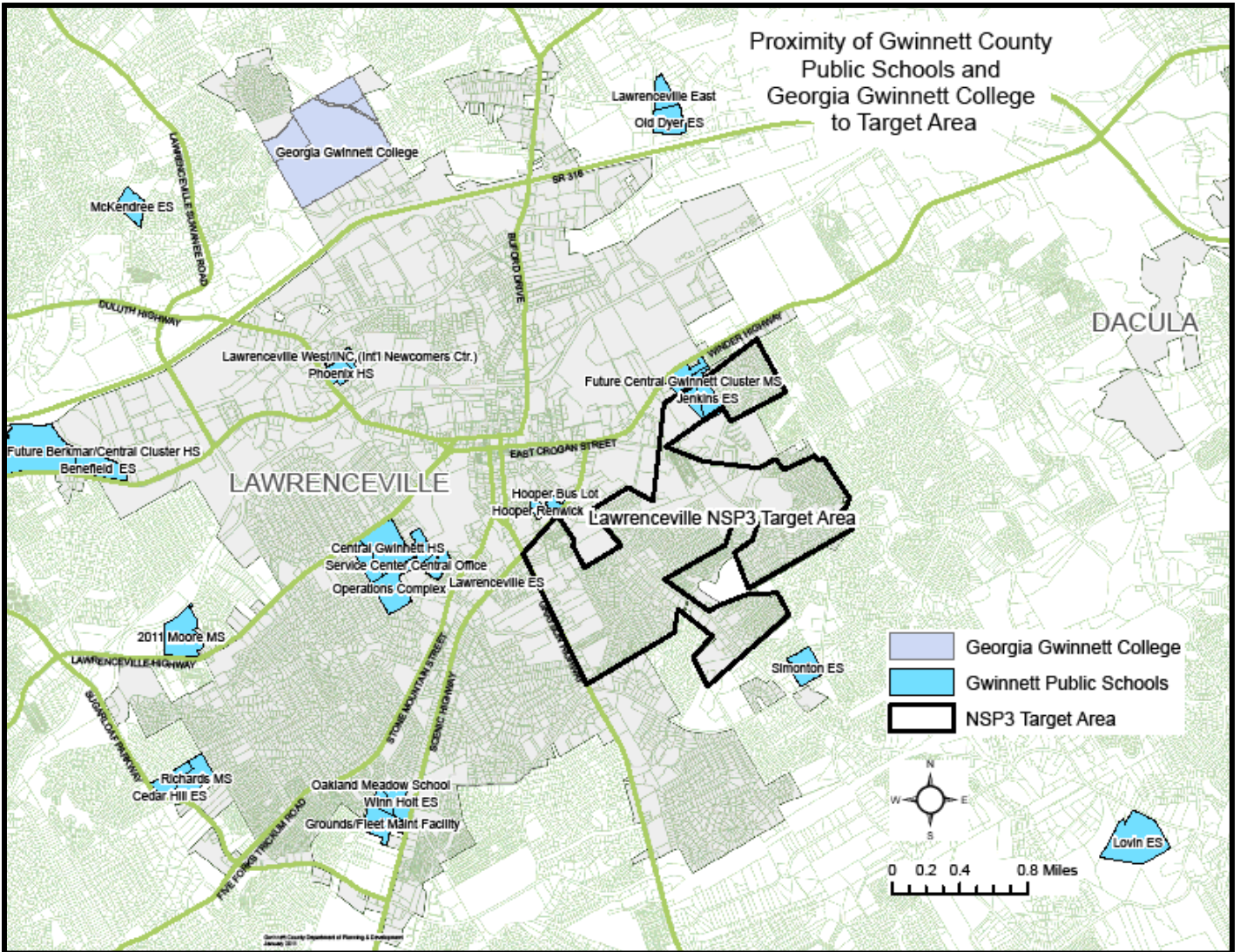
Blocks Comprising Target Neighborhood

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# COMMUNITY FACILITIES AND GOVERNMENT OFFICES

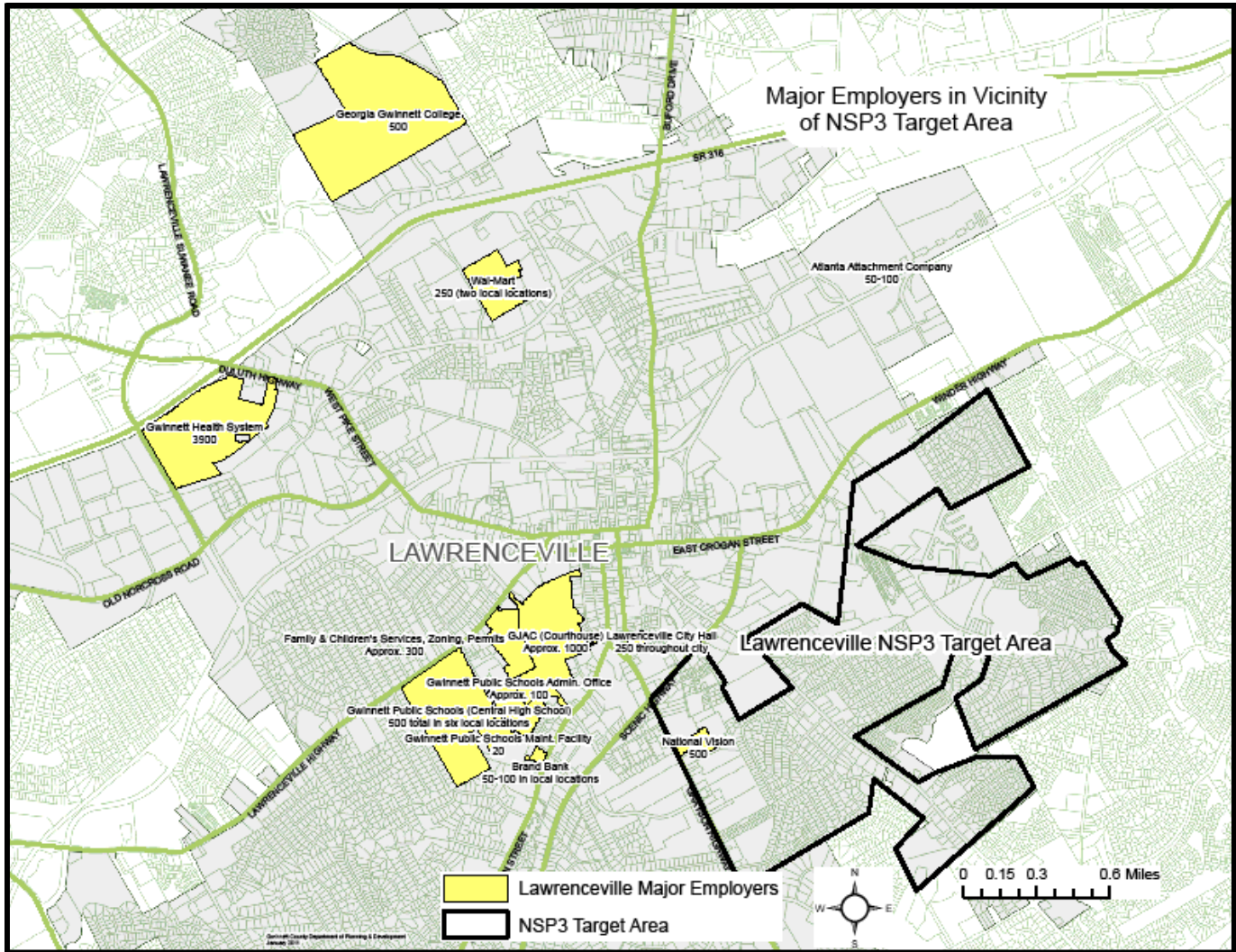


# EDUCATIONAL FACILITIES



# MAJOR LAWRENCEVILLE EMPLOYERS

WITH NUMBER OF EMPLOYEES

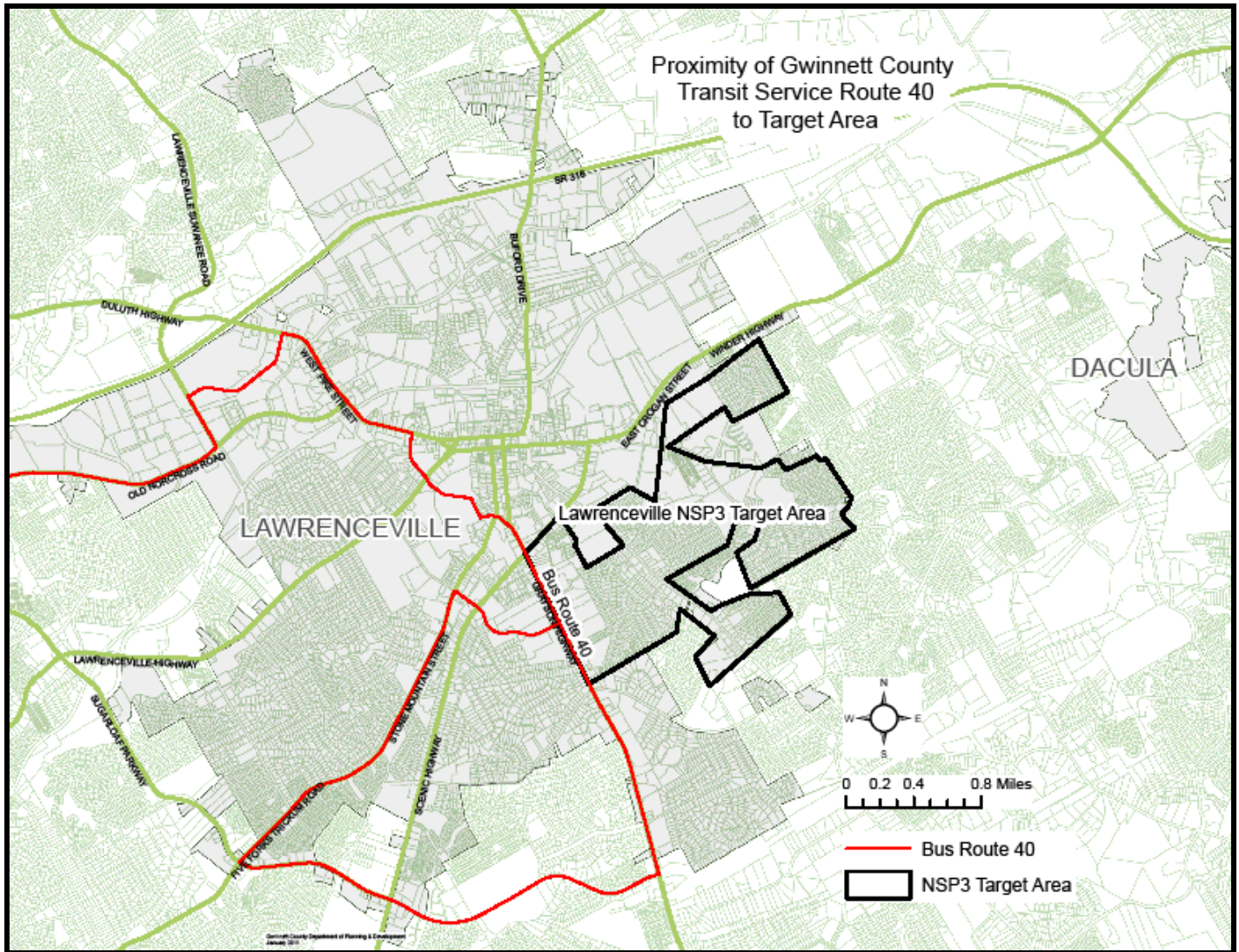


## EMPLOYER and NUMBER OF EMPLOYEES

## DISTANCE FROM TARGET AREA

Gwinnett County Government (4,000+)	Adjacent or less than 1 mile
Gwinnett Health System (4,000+)	3 miles
National Vision (500)	Within Target Area
Georgia Gwinnett College (500)	4 miles
Gwinnett County School System ( <b>approx 500 in city</b> ; 20,000+ system wide)	Adjacent or less than 3 miles
City of Lawrenceville (250)	Within one-quarter mile
Wal-Mart (2 locations; 250 total)	3 to 6 miles
Albany Door Systems (50-100)	4 miles
Brand Banking Company (50-100; in local area)	1 mile plus

# TRANSIT ROUTES



Gwinnett Transit Route 40

Weekday Service – Every 30 Minutes during rush hours; 50 minutes mid-day

Connecting Service to the following Express Bus Service

To downtown Atlanta:

Gwinnett Transit Route 103

Georgia Regional Transportation Authority (GRTA) Route 412

To MARTA Lindbergh Station

Georgia Regional Transportation Authority (GRTA ) Route 410

Connecting Service - Gwinnett Transit Routes 10 and 30

## Appendix: NSP3 Action Plan Contents Checklist

The checklist below is an optional tool for NSP3 grantees to help to ensure that all required elements of the NSP3 Substantial Amendment or the Abbreviated Plan are submitted to HUD. This checklist only includes the minimum required elements that must be included in the NSP3 Action Plan and grantees may want to add additional details. This document must be protected, as described above, in order to use the checkboxes in this checklist.

### 1. NSP3 Grantee Information

	Yes
Did you include the Program Administrator's name, address, phone, and email address?	X

### 2. Areas of Greatest Need

	Yes
Does the narrative description describe how funds will give priority emphasis to areas of greatest need?	X
Does the narrative description specifically address how the funds will give priority emphasis to those areas:	
• With the highest percentage of home foreclosures?	X
• With the highest percentage of homes financed by subprime mortgage related loan?; and	X
• Identified by the grantee as likely to face a significant rise in the rate of home foreclosures?	X
Did you create the area of greatest needs map at <a href="http://www.huduser.org/NSP/NSP3.html">http://www.huduser.org/NSP/NSP3.html</a> ?	X
Did you include the map as an attachment to your Action Plan?	X
<b>ONLY Applicable for States:</b> Did you include the needs of all entitlement communities in the State?	NA

### 3. Definitions and Descriptions

	Yes
Are the following definitions and topics included in your substantial amendment?:	
<ul style="list-style-type: none"> <li>• Blighted structure in context of state or local law,</li> </ul>	X
<ul style="list-style-type: none"> <li>• Affordable rents,</li> </ul>	X
<ul style="list-style-type: none"> <li>• Ensuring long term affordability for all NSP funded housing projects,</li> </ul>	X
<ul style="list-style-type: none"> <li>• Applicable housing rehabilitation standards for NSP funded projects</li> </ul>	X

### 4. Low-Income Targeting

	Yes
Did you identify the estimated amount of funds appropriated to provide housing that meets the low-income set aside target?	X
Did you provide a summary describing how your jurisdiction will meet its low-income set aside goals?	X

### 5. Acquisition & Relocation

	Yes
For all acquisitions that will result in displacement did you specify:	
<ul style="list-style-type: none"> <li>• The planned activity,</li> </ul>	NA
<ul style="list-style-type: none"> <li>• The number of units that will result in displacement,</li> </ul>	NA
<ul style="list-style-type: none"> <li>• The manner in which the grantee will comply with URA for those residents?</li> </ul>	NA

### 6. Public Comment

	Yes
Did you provide your draft of the NSP3 substantial amendment for a minimum of 15 days for public comment?	X
Did you include the public comments you received on the NSP3 substantial amendment in your plan?	X

## 7. NSP Information by Activity

	Check all that apply
Did you include a description of all eligible NSP3 activities you plan to implement with your NSP3 award?	X
For each eligible NSP3 activity you plan to implement did you include:	
• Eligible use or uses?	X
• Correlated eligible CDBG activity or activities?	X
• Associated national objective?	X
• How the activity will address local market conditions?	X
• Range of interest rates (if any)?	NA
• Duration or term of assistance?	X
• Tenure of beneficiaries (e.g. rental or homeowner)?	X
• If the activity produces housing, how the design of the activity will ensure continued affordability?	X
• How you will, to the maximum extent possible, provide for vicinity hiring?	X
• Procedures used to create affordable rental housing preferences?	X
• Areas of greatest need addressed by the activity or activities?	X
• Amount of funds budgeted for the activity?	X
• Appropriate performance measures for the activity (e.g. units of housing to be acquired, rehabilitated, or demolished for the income levels represented in DRGR) ?	X
• Expected start and end dates of the activity?	X
• Name and location of the entity that will carry out the activity?	X

## 8. Certifications

	Yes
Did you sign and submit the certification form applicable to your jurisdiction?	X

## 9. Additional Documentation

	Yes
Did you include a signed SF-424?	X