

COUNTY OF SAN BERNARDINO

DRAFT

NEIGHBORHOOD STABILIZATION PROGRAM 3 (NSP3) SUBSTANTIAL AMENDMENT TO THE 2010-11 ACTION PLAN & 2005-10 FIVE YEAR CONSOLIDATED PLAN FEBRUARY 15 2011

Department Head: Kathy Thomas, Director

NSP3 Contact Person: Debbie Kamrani, Deputy Director

Address: 290 North D Street, Suite 600
San Bernardino, CA 92415-0040

Telephone: (909) 388-0907

Fax: (909) 388-0929

Email: dkamrani@cdh.sbcounty.gov

URL: www.sbcountyadvantage.com



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DRAFT

1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Thomas, Kathy
Email Address	kthomas@rda.sbcounty.gov
Phone Number	909-387-4411
Mailing Address	290 North D Street, Suite 600, San Bernardino, CA 92415-0040

2. Areas of Greatest Need

Map Submission

The map generated at the HUD NSP3 Mapping Tool for Preparing Action Plan website is included as Attachment 1.

Data Sources Used to Determine Areas of Greatest Need

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

Response:

The County of San Bernardino utilized a number of resources/tools to determine the area(s) of greatest need and impact. The primary tool utilized was the NSP mapping tool located at <http://www.huduser.org/nsp/nsp3.html>.

In addition to this tool the County has also contacted the following real estate professionals to discuss market conditions and available inventory:

- San Bernardino County Housing Authority – Ron Ruhl, Project Manager
- Hendricks & Partners – Brian Anderson, Real Estate Specialist
- Marcus & Millichap – Reza Ghaffari, First Vice President Investments
- Accurate Realty Services, LLC – Ysrael Rangel, Certified Appraiser
- San Bernardino County Economic Update Report – San Bernardino County Economic Development Agency
- National Community Stabilization Trust – Adam Eliason, President Civic Stone

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 County of San Bernardino is the largest county in the United States with over 20,000 square miles of territory. The most populous areas in the County are within the southwestern region commonly referred to as the Inland Empire. Technically this region represents a significant portion of the Riverside-San Bernardino-Ontario Metropolitan Statistical Area (MSA).

This region is one the greatest impacted areas in the country and County staff have been tracking foreclosures and notices of default since early 2008. In particular the cities of Rialto, Fontana, Ontario, Victorville and Hesperia have been the hardest hit cities in the County of San Bernardino based in large

part to the amount of new construction within these cities over the past 10-15 years. While the foreclosure numbers are high in all these areas, each of these respective cities received a previous NSP allocation and operated their own targeted programs. The County of San Bernardino has targeted the unincorporated areas of the County, which receive limited funding but still produce large numbers of foreclosed properties.

The County of San Bernardino has continued to compile and update foreclosure data countywide and has utilized this data to help select target areas with the greatest need. The data is available on the County’s website at www.XXXXXXXXXX. While the County reviewed all available data, the focus of the data was on the predicted 18-month foreclosure rate, high-cost subprime loan rate and total severity score. From these numbers the County determined that four areas best met the criteria. Adelanto, Barstow, Bloomington and Colton were the areas of greatest need with regards to percentage of foreclosed homes, percentage and cost of subprime loans and the areas likely to face a significant rise in foreclosures. Due to its location (approx. 35 miles) from two County redevelopment areas, the City of Adelanto is not eligible for additional redevelopment housing set-aside funding, which limits the County’s ability to layer funding and better leverage the NSP-3 funds. The County has already awarded \$12,900,000 in NSP-1 funding for 329 affordable family units in the City of Barstow, which has helped address the needs within that city. Through work with local realtors and the National Community Stabilization Trust, the County was unable to identify any substantial foreclosed or vacant inventory within the City of Colton, which proposes major issues when attempting to meet NSP expenditure deadlines. The unincorporated county area of Bloomington has a great need for affordable family, senior and multi-generational housing. In addition to affordable housing Bloomington needs infrastructure to service new development and attract future development to this part of the County. Bloomington contains a number of vacant and underutilized sites, which are ideal for new development of affordable housing. The County of San Bernardino selected Bloomington since additional funding from redevelopment housing set-aside funds can be layered in order to develop neighborhoods of focused investment. The new construction Bloomington site (see Section 7, Activity 1 below) was also selected because it contains all the nearby amenities needed for Low Income Housing Tax Credits (schools, library, bus stop, park, etc.) and is also eligible for redevelopment housing set-aside funding.

3. Definitions and Descriptions

Definitions

Term	Definition
Blighted Structure	<p>The County will rely upon California Health and Safety Code Sections 33030 and 33031 http://www.leginfo.ca.gov/cgi-bin/displaycode?section=hsc&group=33001-34000&file=33030-33039 and the County of San Bernardino Code 6, sections 63.0603, 63.0604 and 63.0605 http://www.sbcounty.gov/landuseservices/DevCode/Default.asp will qualify as a blighted structure. The County of San Bernardino defines a “substandard conditions/property and unsafe building/structure” in order to determine “blight.” A “blighted structure” will include, but is not limited to, the following:</p> <ul style="list-style-type: none"> • A building in which it is unsafe or unhealthy for persons to live – for instance, if there are serious building code violations; if the structure is severely dilapidated or deteriorated; or if the building suffers from serious neglect;

	<ul style="list-style-type: none"> • A building which suffers from substandard, defective design or construction given the current development standards; • A building that has hazardous waste within; • A building which is vacant and abandoned; • A building in need of extensive rehabilitation; • A building susceptible to collapse from seismic hazards; and, • A building in such a state as to cause serious public safety concerns.
Affordable Rents	The County will ensure that 100% of NSP funds be used to benefit individuals and households with incomes below 120% of the area median income (AMI). The County is using the maximum rent limits allowed for affordable units in accordance with Section 92.252 of HUD's HOME Program Regulations for households at or below 80% of the AMI. The HUD fair market rent limits will be used for households with incomes between 81% and 120% of AMI. In addition, at least 25% of the NSP funds will be used to benefit individuals and households with incomes below 50% of the AMI.

Descriptions

Term	Definition
Long-Term Affordability	The County will enter into long term NSP Regulatory Agreements, and Deed Covenants will be recorded against the property to ensure long-term affordability (minimum term of 15 years, expected term of 20 years or more).
Housing Rehabilitation Standards	<p>Applicable Housing Rehabilitation Standards</p> <p>At a minimum, NSP grantees must use the County of San Bernardino Department of Community Development and Housing, Single-Family Housing Rehabilitation Standards and Specifications. Available at http://www.sbcountyadvantage.com/Housing-Development-Division.aspx.</p> <p>If a NSP grantee chooses to use local rehabilitation standards, it must ensure that the local standard is more stringent than the Guidelines for Single-Family Residential Construction in San Bernardino County rehabilitation standards.</p> <ul style="list-style-type: none"> • All gut rehabilitation or new construction (i.e., general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls) of residential buildings up to three stories must be designed to meet the standard of Energy Star Qualified New Homes. • All gut rehabilitation or new construction of mid- or high-rise multi-family housing must be designed to meet American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Standard 90. 1-2004, Appendix G plus 20 percent (which is the Energy Star standard for multifamily buildings piloted by the Environmental Protection Agency and the Department of Energy). • Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete

	<p>products and appliances (such as windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units, refrigerators, clothes washers and dishwashers) with Energy Star-46 labeled products.</p> <ul style="list-style-type: none"> • Water efficient toilets, showers, and faucets, such as those with the Water Sense label, must be installed. • Where relevant, the housing should be improved to mitigate the impact of disasters (e.g., earthquake, hurricane, flooding, and fires). • When applicable and/or cost feasible, the County of San Bernardino requires the NSP grantees to adopt the energy efficient and environmentally-friendly green elements as part of NSP3 program design. Attachment C to the NSP3 Notices describes in more detail how energy efficient and environmentally-friendly green elements can be incorporated and additional tools on incorporating green rehabilitation standards can be found on the NSP Resources Exchange at www.hud.gov/nspta and http://www.federalregister.gov/articles/2010/10/19/2010-26292/notice-of-formula-allocations-and-program-requirements-for-neighborhood-stabilization-program#h-84.
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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.

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): 25.00%

Total funds set aside for low-income individuals = \$2,609,545.25

Meeting Low-Income Target

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

Response:

For new construction of a multi-family affordable development, multi-family acquisition and rehabilitation and single family acquisition, rehabilitation and resale utilizing NSP-3 funding, the County of San Bernardino will restrict a minimum of 25% of the total units (i.e., a minimum of 20-units) for individuals or families with an income level at or below 50% of AMI. The County will record Affordability Covenants against the property to insure the property maintains the Low-Income level restriction over a given affordability period.

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)?	Yes
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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.	4
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).	80
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	20

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>In accordance with the County of San Bernardino’s Citizen Participation Plan as described in the 2010-2015 Consolidated Plan, the Department of Community Development and Housing advertised the NSP-3 Substantial Amendment notice for 15 days in six newspapers throughout the County prior to the February 15, 2011 meeting and was listed online at www.sbcountyadvantage.com (see attached Appendix A: Public Comment). The NSP-3 Substantial Amendment was emailed to all twelve Cooperating Cities requesting comment.</p>

Summary of Public Comments Received.

The summary of public comments received is included as an attachment (see Appendix A: Public Comment).

7. NSP Information by Activity

Enter each activity name and fill in the corresponding information. If you have fewer than seven activities, please delete any extra activity fields. (For example, if you have three activities, you should delete the tables labeled “Activity Number 4,” “Activity Number 5,” “Activity Number 6,” and “Activity Number 7.” If you are unsure how to delete a table, see the instructions [above](#).)

The field labeled “Total Budget for Activity” will populate based on the figures entered in the fields above it.

Consult the [NSP3 Program Design Guidebook](#) for guidance on completing the “Performance Measures” component of the activity tables below.

Activity Number 1	
Activity Name	Bloomington Affordable Family, New Construction
Uses	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 checked="" type="checkbox"/> Eligible Use E: Redevelopment
CDBG Activity or Activities	24CFR 570.201 (a) Acquisition, (b) Disposition, (c) Public Facilities and Improvements, (i) Relocation
National Objective	Benefiting low-, moderate- and middle-income persons, as defined in the NSP Notice. More specifically, the project will benefit low- and moderate-income (51%-120%) occupants, but will also benefit some very low-income occupants (50% and below area median income).
Activity Description	<p>The County of San Bernardino is proposing a new-construction multi-family development utilizing NSP-3 funds under Eligible use E (Redevelopment) and CDBG eligible activities (a) acquisition, (b) disposition, (c) public facilities and improvements and (i) relocation. The County is currently working on the redevelopment of a corridor located along the Interstate 10 freeway consisting of scattered single family housing, commercial/retail businesses and vacant underutilized lots. Since there is currently a limited supply of affordable rental housing in this area, the development of 80 income restricted units will provide a much needed supply of affordable housing for this community. The County will record a minimum 20-year affordability covenant on the development to insure rents remain affordable. Under Eligible Use E, the County would purchase approximately 15 acres of existing vacant land, for the development of a newly constructed 80-unit multi-family affordable housing development as Phase I. The County will also use NSP-3 funding for the development and connection of sewer facilities to this new phased development. The County will look at a number of options to layer additional funding for this project, including the possibility of 9% or 4% Low Income Housing Tax Credits as well as San Bernardino County redevelopment housing set-aside funds. The County will select an affordable housing development partner to complete/assist with the acquisition, construction and operation of this new development. The County will require the selected affordable housing developer facilitate public meetings and community focus groups to help determine which services and amenities are most needed and will benefit tenants. The developer will also be required to advertise and seek local workforce resources through the local San Bernardino County Workforce Development Department.</p> <p>Project Highlights</p> <ul style="list-style-type: none"> • 80 unit affordable family housing development • Minimum 20 units reserved for individuals/families with income levels at or below 50% AMI, remaining 60 units reserved for families with income levels at or below 120% AMI • Consistent with the County of San Bernardino’s Redevelopment Plan

	<ul style="list-style-type: none"> Strongest opportunity to leverage NSP-3 funds with Tax Credit Equity and/or additional local funding sources New construction will meet 2010 California Green Standards available at http://www.documents.dgs.ca.gov/bsc/Title_24/documents/2010/Part%2011/2010_CA_Green_Bldg.pdf 								
Location Description	Approximately 15 acres located on the North/West corner of Valley Boulevard and Locust Avenue, Bloomington, CA 92316								
Budget	<table border="1"> <thead> <tr> <th>Source of Funding</th> <th>Dollar Amount</th> </tr> </thead> <tbody> <tr> <td>NSP3</td> <td>\$7,894,363</td> </tr> <tr> <td>Tax Credit Equity and/or RDA funds</td> <td>\$6,250,000</td> </tr> <tr> <td>Permanent Financing</td> <td>\$3,500,234</td> </tr> </tbody> </table>	Source of Funding	Dollar Amount	NSP3	\$7,894,363	Tax Credit Equity and/or RDA funds	\$6,250,000	Permanent Financing	\$3,500,234
	Source of Funding	Dollar Amount							
	NSP3	\$7,894,363							
Tax Credit Equity and/or RDA funds	\$6,250,000								
Permanent Financing	\$3,500,234								
Total Budget for Activity	\$19,144,597								
Performance Measures	The County of San Bernardino has set a performance measure of 80 affordable family units developed within a central target area. All 80 units will have affordability covenants recorded against the property that will maintain the affordability of these units for a minimum of twenty years.								
Projected Start Date	5/15/2011								
Projected End Date	5/1/2014								
Responsible Organization	<table border="1"> <tr> <td>Name</td> <td>County of San Bernardino Community Development And Housing</td> </tr> <tr> <td>Location</td> <td>290 North D Street, Suite 600 San Bernardino, CA 92415-0040</td> </tr> <tr> <td>Administrator Contact Info</td> <td>Debbie Kamrani dkamrani@cdh.sbcounty.gov (909) 388-0907</td> </tr> </table>	Name	County of San Bernardino Community Development And Housing	Location	290 North D Street, Suite 600 San Bernardino, CA 92415-0040	Administrator Contact Info	Debbie Kamrani dkamrani@cdh.sbcounty.gov (909) 388-0907		
	Name	County of San Bernardino Community Development And Housing							
	Location	290 North D Street, Suite 600 San Bernardino, CA 92415-0040							
Administrator Contact Info	Debbie Kamrani dkamrani@cdh.sbcounty.gov (909) 388-0907								

Activity Number 2											
Activity Name	Single Family Acquisition, Rehabilitation and Resale										
Use	Select all that apply: <table border="1"> <tr> <td><input type="checkbox"/></td> <td>Eligible Use A: Financing Mechanisms</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Eligible Use B: Acquisition and Rehabilitation</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Eligible Use C: Land Banking</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Eligible Use D: Demolition</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Eligible Use E: Redevelopment</td> </tr> </table>	<input type="checkbox"/>	Eligible Use A: Financing Mechanisms	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	<input type="checkbox"/>	Eligible Use C: Land Banking	<input type="checkbox"/>	Eligible Use D: Demolition	<input type="checkbox"/>	Eligible Use E: Redevelopment
<input type="checkbox"/>	Eligible Use A: Financing Mechanisms										
<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation										
<input type="checkbox"/>	Eligible Use C: Land Banking										
<input type="checkbox"/>	Eligible Use D: Demolition										
<input type="checkbox"/>	Eligible Use E: Redevelopment										
CDBG Activity or Activities	24CFR 570.201 (a) Acquisition, (b) Disposition										
National Objective	Benefiting low, moderate and middle income persons, as defined in the NSP Notice. More specifically the project will benefit low and moderate income (51%-120%) occupants, but will also benefit some very low-income occupants (50% and below area median income).										
Activity Description	The purpose of the NSP-3 Single Family Acquisition, Rehabilitation and Resale Program is to acquire and rehabilitate foreclosed and abandoned homes in heavily impacted neighborhoods and resell them to program-eligible owner-occupants. Using NSP and/or other funds or lines of credit, the County or contracted intermediaries (for profit and/or non-profit) would purchase foreclosed or abandoned homes and rehabilitate them. Intermediaries (for profit, not for profit and/or non-profit) are expected to be selected on a										

	<p>competitive basis. Intermediaries would have access to purchase foreclosed properties through the National Community Stabilization Trust (NCST). NCST is a national nonprofit corporation established to facilitate the purchase of foreclosed properties directly from major financial institutions prior to them being listed for sale on the open market. . This program would be concentrated on a few block areas in focus neighborhoods heavily impacted by foreclosure activity so as to produce tangible evidence of neighborhood improvement and to entice end-owner occupants to buy. Upon the completion of rehabilitation, homes would be marketed to eligible buyers – households with income at or below 120% of area median income. The County would pay for acquisition costs and a reasonable developer fee, less the difference between purchase and sales costs. Intermediaries will fund all rehabilitation and costs of resale. Owner occupants would be eligible for Homebuyer Assistance.</p>	
Location Description	Western portion of the City of Fontana	
Budget	Source of Funding	Dollar Amount
	NSP3	\$1,000,000
	(Other funding source)	\$0
	(Other funding source)	\$0
Total Budget for Activity	\$1,000,000	
Performance Measures	The County of San Bernardino has set a performance measure of 5 single family units acquired, rehabilitated and sold within a central target area. All 5 units will have affordability covenants recorded against the property that will maintain the affordability of these units for a minimum twenty years.	
Projected Start Date	05/15/2011	
Projected End Date	05/01/2014	
Responsible Organization	Name	County of San Bernardino Community Development and Housing
	Location	290 North D Street, Suite 600 San Bernardino, CA 92415-0040
	Administrator Contact Info	Debbie Kamrani Dkamrani@cdh.sbcounty.gov (909) 388-0838

Activity Number 3	
Activity Name	Homebuyer Assistance to Purchasers of Foreclosed Homes
Use	Select all that apply:
	<input checked="" 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	24CFR 570.201 (a) Acquisition
National Objective	Benefiting low, moderate and middle income persons, as defined in the NSP Notice. More specifically the project will benefit low and moderate income (51%-120%) occupants, but will also benefit some very low-income occupants

	(50% and below area median income).	
Activity Description	<p>The purpose of the NSP-3 Homebuyer Assistance Program is to enable low-, moderate- and middle income households to purchase foreclosed single family homes. Falling housing prices, which accompany the current wave of foreclosures, offer the opportunity to help lower income households to purchase homes previously out of reach. Under this program, the County would provide an affordability gap silent second mortgage to assist in the acquisition, designed to meet the FHA 203(b) first mortgage loan requirement, or similar conventional fixed rate financing, for the borrower contribution under the new modernization rules, and/or affordability gap financing to borrowers who can qualify for an FHA or conventional long term fixed rate mortgage. The gap financing amount would be the difference between the first mortgage amount and the acquisition cost of the foreclosed home. Loans of up to \$50,000 would be made with a lien recorded to ensure the property is not sold, refinanced or rented during the affordability period. Loans under \$15,000 will be forgiven after 5 years provided the purchaser stays in the home as their primary residence. Loans \$15,000 - \$50,000 will be forgiven beginning year 11 at a rate of 1/10th per year with total forgiveness after year 20 provided the borrower continues to occupy the home. The program would be geographically focused on the County's areas of greatest need.</p>	
Location Description	Western portion of the City of Fontana	
Budget	Source of Funding	Dollar Amount
	NSP3	\$500,000
	(Other funding source)	\$0
	(Other funding source)	\$0
Total Budget for Activity	\$500,000	
Performance Measures	The County of San Bernardino has set a performance measure of 20 Homebuyer Assistance Loans within a central target area. All 20 units will have affordability covenants recorded against the property that will maintain the affordability of these units for a minimum twenty years.	
Projected Start Date	05/15/2011	
Projected End Date	05/01/2014	
Responsible Organization	Name	County of San Bernardino Community Development and Housing
	Location	290 North D Street, Suite 600 San Bernardino, CA 92415-0040
	Administrator Contact Info	Debbie Kamrani Dkamrani@cdh.sbcounty.gov (909) 388-0838

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

Josie Gonzales, Chair, Board of Supervisors

Certifications for Non-Entitlement Local Governments

- (1) **Affirmatively furthering fair housing.** The jurisdiction certifies that it will affirmatively further fair housing.
- (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) **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.
- (10) **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.

(11) **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.

(12) **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.

(13) **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.

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

(15) **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.

(16) **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

Josie Gonzales, Chair, Board of Supervisors

APPENDICES

Appendix A: Public Comment

Appendix B: Application for Federal Assistance Form SF 424

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Appendix A: Public Comment

Public Notice and Summary of Public Comment

**County of San Bernardino
Department of Community Development and Housing
Notice of Application to Substantial Plan Amendment 2010-2011 Action Plan**

Neighborhood Stabilization Program 3 (NSP3) under the Wall Street Reform and Consumer Protection Act of 2010

NOTICE IS HEREBY GIVEN that a proposed substantial plan amendment document is available for review and comment and that the Board of Supervisors of the County of San Bernardino will consider and approve the Substantial Plan Amendment Tuesday, February 15, 2011 at 10:00 a.m. in the Chambers of the Board of Supervisors, 385 North Arrowhead Avenue, First Floor, San Bernardino, CA. The purpose of the Board meeting is to consider a proposed substantial plan amendment to enable the County to receive and administer funds from the U.S. Department of Housing and Urban Development's (HUD) Neighborhood Stabilization Program 3 (NSP3) and to solicit citizen comments regarding this proposed plan amendment.

BACKGROUND:

On July 21, 2010, Congress passed the Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank), which includes \$970 million appropriated to NSP3 for the purpose of providing continuing assistance in redevelopment of foreclosed/abandoned or vacant properties. These new funds were allocated to qualifying entities and are to be used for the purpose of assisting in the redevelopment of abandoned and foreclosed homes and vacant properties. NSP3 funding must support projects benefiting households whose income is at or below 120% of Area Median Income (AMI).

The County of San Bernardino was allocated \$10,438,181 of NSP3 funds. These funds will be used to develop affordable housing in the community of Bloomington.

ADDITIONAL PROVISION:

Items may be added or deleted from this proposed Substantial Plan Amendment at the Board of Supervisors meeting.

CITIZEN REVIEW AND COMMENTS:

The substantial amendment will be available for public review and comment during a fifteen (15) day period from February 1, 2011 to February 15, 2011 at the County Department of Community Development and Housing's address listed below. Also, the substantial amendment can be viewed on the County's Internet Site at www.sbcountyadvantage.com. Citizen comments on this proposed substantial amendment are welcomed. However, comments received after 5:00 p.m. PST, February 15, 2011, cannot be considered in the preparation of the proposed substantial amendment. Send comments to the County's Department of Community Development and Housing (CDH), at the address shown below.

Those individuals wishing to express their views on this proposed substantial amendment may be present and be heard at the Board of Supervisors meeting or may, prior to the time of the Board meeting, submit in writing, comments to CDH.

If you challenge any decision regarding the above proposal in court, you may be limited to raising only those issues you or someone else raised at the Board meeting described in this notice, or in written correspondence delivered to the Board of Supervisors at, or prior to, the Board meeting.

Due to time constraints and the number of persons wishing to give oral testimony, time restrictions may be placed on oral testimony at the Board meeting regarding this proposal. You may make your comments in writing to assure that you are able to express yourself adequately.

County of San Bernardino
Department of Community Development and Housing
290 North D Street, Suite 600
San Bernardino, CA 92415-0040
Attn: Debbie Kamrani, Deputy Director
or call (909) 388-0907

JOSIE GONZALES, CHAIR
BOARD OF SUPERVISORS OF
THE COUNTY OF SAN BERNARDINO

LAURA H. WELCH
CLERK OF THE BOARD OF SUPERVISORS

Public Notice and Summary of Public Comment

The following is a summary of comments and views of citizens received in writing and/or orally regarding the Neighborhood Stabilization Program 3 (NSP3) Application. The draft application was posted at www.sbcountadvantage.com on February 2, 2011 and was advertised in the following newspapers: The Big Bear Grizzly, Daily Press, El Chicano, Hi-Desert Star, Inland Valley Daily Bulletin and The Sun.

On February 15, 2011, San Bernardino County Board of Supervisors meeting Board Agenda Item No. XX Neighborhood Stabilization Program 3 (NSP3) Application: **no comments were received.**

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Appendix B: Application for Federal Assistance Form SF 424

See attached.

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