

*City of Fontana*  
*FY 2008-09 Action Plan Amendment*

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## **THE NSP SUBSTANTIAL AMENDMENT**

Jurisdiction(s): City of Fontana <i>(identify lead entity in case of joint agreements)</i>	NSP Contact Person: Valerie Gonzales Address: 8353 Sierra Ave. Fontana, Ca 92335 Telephone: 909-350-6625 Fax: 909-350-6572 Email: vgonzale@fontana.org
Jurisdiction Web Address: <a href="http://www.fontanahousingauthority.org">www.fontanahousingauthority.org</a> <i>(URL where NSP Substantial Amendment materials are posted)</i>	

### ***A. AREAS OF GREATEST NEED***

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

***Note:*** An NSP substantial amendment must include the needs of the entire jurisdiction(s) covered by the program; states must include the needs of communities receiving their own NSP allocation. To include the needs of an entitlement community, the State may either incorporate an entitlement jurisdiction's consolidated plan and NSP needs by reference and hyperlink on the Internet, or state the needs for that jurisdiction in the State's own plan. The lead entity for a joint program may likewise incorporate the consolidated plan and needs of other participating entitlement jurisdictions' consolidated plans by reference and hyperlink or state the needs for each jurisdiction in the lead entity's own plan.

HUD has developed a foreclosure and abandonment risk score to assist grantees in targeting the areas of greatest need within their jurisdictions. Grantees may wish to consult this data [LINK – to HUD USER data], in developing this section of the Substantial Amendment.

#### **Response:**

The City of Fontana is located in the Riverside/San Bernardino/Ontario metropolitan statistical area (MSA, also known as the "Inland Empire"). Since the foreclosure crisis became newsworthy in summer of 2007, this MSA at one point was the fourth most impacted foreclosure area in the country. City staff has been tracking foreclosures located within the City of Fontana. The Inland Empire and the Riverside/San Bernardino/Ontario MSA are one and the same geographic area. There are two counties, Riverside and San Bernardino. San Bernardino, of which Fontana belongs, has 24 incorporated cities (2000 census).

California is a non-judicial foreclosure state. The foreclosure process begins with a recorded Notice of Default (NOD), which is a public notification that the borrower has

fallen behind in the monthly mortgage payments. If the default is not cured, or the loan renegotiated or replaced, the NOD is followed by a Notice of Trustee's Sale (NOTS) after a minimum of three months. The actual Trustee's Sale can not occur less than 20 days after public notice. The Trustee's Sale is a public auction, at which anyone may place a bid, including the lender and any junior lien holders. The foreclosure process may be stopped if the default is cured 5 days in advance of the sale date. If no one bids, and the foreclosure was not stopped, title (ownership) of the property reverts to the lender as REO property (Real Estate Owned). The typical foreclosure process takes at least 117 days in California.

There were a total of 49,973 properties taken all the way through the foreclosure process in the MSA from July 1, 2007 through September 30, 2008. San Bernardino County accounted for 23,366 of the aforementioned foreclosures. In relation to all housing units (as estimated by the California Department of Finance, 2008), this represents 3.42% for the MSA and 2.97% in San Bernardino County. This corresponds to 1 in 29 homes becoming bank-owner during this period.

The City of Fontana began its needs assessment in response to the housing crisis (high number of foreclosed, vacant properties beginning to have adverse effects on neighborhoods) by identifying the census tract block groups in the City with income levels at or below 120 percent of the Area Median Income (AMI). For purposes of this Amendment, the low, moderate, and middle-income areas will be noted as "LMMI". This data was provided by the U.S. Department of Housing and Urban Development (HUD) and this data can be found on the HUD web site at the following web address: [http://www.huduser.org/publications/commdev/nsp\\_target.html](http://www.huduser.org/publications/commdev/nsp_target.html) .

The HUD data, in addition to a break-down of income levels by census tract block groups, also provide the following information:

- Estimated foreclosure/abandonment risk score (1 to 10 with 10 being the highest risk) – Fontana's data ranged from 7 to 9;
- Rate of high cost loans (2004 – 2006) – Fontana's data ranged from 22.5% to 46.3%;
- Predicted 18 month underlying problem foreclosure rate – Fontana's data ranged from 7.2% to 11.6%;
- Rate of housing price decline since the peak in the housing market (June 2008) – Fontana's rate is -22.9 percent; and
- Unemployment rate (June 2008) – Fontana's rate is 8.2 percent.

Fontana utilized the following data sources for this analysis:

- Land America Title [www.landamerica.com](http://www.landamerica.com)
- [www.foreclosuresdaily.com](http://www.foreclosuresdaily.com)
- [www.dataplace.org](http://www.dataplace.org)
- [www.newyorkfed.org/mortgagemaps/](http://www.newyorkfed.org/mortgagemaps/)
- HUD supplied Data

The supplied HUD data identified three major indicators to help jurisdictions evaluate the current and future risk of foreclosures within and adjacent to its boundaries. The key data used to evaluate risks in Fontana include:

**Estimated Foreclosure Abandonment Risk Score**

Provides a score at the census tract level on a scale from 0 to 10. A score of 0 indicates that HUD data suggests a very low risk of residential properties that potentially will be abandoned or foreclosed upon, whereas a 10 suggests a very high risk. Citywide the lowest score Fontana received was a 7 indicating that the entire city is at above average risk for abandonment and foreclosure.

**Predicted 18 Month Underlying Problem Foreclosure Rate**

Provides a score at the census tract level on a scale from 0% to 100%. A score of 0 indicates that HUD data suggests a very low risk of residential properties that potentially will be foreclosed upon, whereas a score of 100% suggests a very high risk. Fontana fell between 8 and 12% with the majority falling in the 10%-12% category.

**HMDA High Cost Loan Rate**

Federal Reserve Home Mortgage Disclosure Act (HMDA) data on the percentage of all loans made between 2004 and 2006 that are high cost at the census tract level. Fontana's data ranges from 20% to 50%.

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***B. DISTRIBUTION AND USES OF FUNDS***

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

**Response:**

The City will distribute NSP funds to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage loan, and identified by the City as likely to face a significant rise in the rate of home foreclosures. The city will meet all requirements set forth in Section 2301 (c)(2) of HERA when expending NSP funds.

The City will ensure that 100 percent of NSP funds will be used to benefit individuals and households with incomes below 120 percent of area median income. In addition, at least 25 percent of NSP funds will be used to benefit individuals and households with incomes below 50 percent of the area median income.

The City will undertake the following NSP-activities:

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.

The City will expend NSP funds under the category "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." This category permits the City to expend NSP funds on the following CDBG-eligible activities under 24 CFR 570.201:

- (a) Acquisition
- (b) Disposition
- (c) Relocation
- (n) Direct Homeownership Assistance (as modified under 24 CFR 570.202  
eligible rehabilitation and preservation of homes and other residential properties.

The initial NSP allocation will be obligated to the acquisition and rehabilitation of properties that have been abandoned or foreclosed-upon within the statutory 18-month period as set forth in Section 2301 (c)(1) of HERA. The City is currently working with

various lending institutions in order to maximize the use of NSP funds in conjunction with leveraging City and Fontana Redevelopment Agency funds.

The disposition of abandoned or foreclosed residential properties may generate program income. The City will recapture and reuse program income until July 30, 2013, as stated in Section 2301 (d)(4). Program income received after July 30, 2013, will be returned to the US Treasury.

### **C. DEFINITIONS AND DESCRIPTIONS**

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

Response:

#### 1. Blighted Structure

The City of Fontana uses the State of California’s definition of blight as found at California Health and Safety Code Sections 33030 and 33031, as follows:

33031(a) This subdivision describes physical conditions that cause blight:

- (1) Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions may be caused by serious building code violations, serious dilapidation and deterioration caused by long-term neglect, construction that is vulnerable to serious damage from seismic or geologic hazards, and faulty or inadequate water or sewer utilities.
- (2) Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots. These conditions may be caused by buildings of substandard, defective, or obsolete design or construction given the present general plan, zoning, or other development standards.
- (3) Adjacent or nearby incompatible land uses that prevent the development of those parcels or other portions of the project area.
- (4) The existence of subdivided lots that are in multiple ownership and whose physical development has been impaired by their irregular shapes and inadequate sizes, given present general plan and zoning standards and present market conditions.

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

Response:

Rents that costs no more than 30 percent of a household's monthly income. That means rent and utilities in an apartment or the monthly mortgage payment and housing expenses for a homeowner should be less than 30 percent of a household's monthly income to be considered affordable.

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

Response:

Continued affordability will be ensured for the entire period of affordability thru monitoring. At minimum, the City will follow the specific HOME monitoring requirements as defined in 24 CFR part 92.

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

Response:

All work performed under the Neighborhood Stabilization Program shall meet all applicable standards contained in the City's adopted Zoning Ordinance, local building and safety codes, the Uniform Building Code, and such other codes as designated by the Housing Manager.

***D. LOW INCOME TARGETING***

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income:

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

Response:

The City of Fontana will make at least \$1,488,328 (25% of the City of Fontana's NSP allocation, as required) available for acquisition/rehabilitation/rental to house individuals or families with incomes up to 50 percent of the area median income.

***E. ACQUISITIONS & RELOCATION***

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

If so, include:

- The number of low- and moderate-income dwelling units—i.e.,  $\leq 80\%$  of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.

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

**Response:**

No conversion or demolition of residential units are planned to occur with NSP funds.

***F. PUBLIC COMMENT***

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

**Response:**

A public notice was published in the San Bernardino Sun (a publication of general circulation) on October 30, 2008 announcing the public comment period on this amendment ending on November 13, 2008. Further, the NSP Substantial Amendment to the City's 2008-09 Annual Action Plan was posted on the City's web site at [www.fontanahousingauthority.org](http://www.fontanahousingauthority.org). On November 13, 2008, a Public Hearing was conducted by the Fontana City Council and no public comments were received. The NSP substantial amendment to the 2008-09 Annual Action Plan was approved.

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

**ACTIVITY 1**

(1) Activity Name: Neighborhood Stabilization Program  
(Acquisition/Rehabilitation/Resale)

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)  
NSP – acquisition/rehabilitation/resale, which may also include a financing mechanism;

CDBG – 24 CFR 570.201(a), acquisition, and (b) disposition, and 570.202, rehabilitation, and possibly 570.201 (n) direct homeowner assistance.

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e.,  $\leq 120\%$  of area median income).

Low-income housing (as amended by NSP) – Beneficiaries will be restricted to low-moderate-, and middle-income clientele, as defined by the NSP Notice. All participants will be restricted to the income levels below 120 percent AMI as promulgated by HUD for this purpose.

(4) Projected Start Date:

Within 90 days of executed agreement with HUD.

(5) Projected End Date:

As long as funds are available (additional funds may be allocated to this activity depending upon the success of the resale portion of the NSP program and changing neighborhood dynamics as areas are stabilized) and continued acquisition/rehabilitation/resale through program income until July 2013.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

City of Fontana  
8353 Sierra Ave  
Fontana, Ca 92335  
Valerie Gonzales, Project Specialist  
909-350-6625-phone  
909-350-6572-fax

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

Staff has identified the following neighborhoods and (census tracts) as the target areas to focus NSP funds:

Sierra Lakes (27.01)

Southridge (26.01, 26.02, 26.03)

Citrus Heights (20.10, 23.03)

Central Core (24.02, 25.02, 28.00, 29.01, 29.02, 30.00, 32.00, 33.01, 34.01)

(8) Activity Description:

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

For housing related activities, include:

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

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

This activity is for acquisition/rehabilitation/resale to low to moderate-income homebuyers as defined by NSP Notice. The tenure of beneficiaries is home ownership. The duration of assistance will last as long as title or ownership remains the same.

Should there be an affordability gap, some portion of the City's original investment of acquisition and rehabilitation funds will remain in the property as a "silent second" (no monthly payments due) to be repaid upon change in title or status as owner-occupied housing. The property will have an affordability covenant recorded against it, for a period of 55 years. Continued affordability will be ensured thru an annual monitoring process. Initial acquisition will average 15 percent below a current appraised value. No interest will be charged. The sales price will be no greater than the total investment by the City (including acquisition, rehabilitation and associated program delivery costs).

**I. Total Budget:** (Include public and private components)

See attached Budget (Exhibit B)

The City will charge all costs such as appraisals, title searches and title insurance, environmental assessments, inspections, development fees, engineering studies and

mitigation, market analysis, credit underwriting reports, and associated permits, to each individual project.

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

This activity is acquisition/rehab/resale to homebuyers. The performance measurement outcomes will be measured by the number of affordable housing units made available. This activity is not anticipated to serve any households below 50 percent AMI. The initial anticipated number to be served is estimated at 16, of which it is anticipated that 2 would be between 51-80 percent AMI, and 14 would be between 81-120 percent AMI.

**ACTIVITY 2**

(1) Activity Name: Veterans Rental Program

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)  
NSP – acquisition/rehabilitation/rental; CDBG – 24 CFR 570.201(a), acquisition, and 570.202 rehabilitation

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e.,  $\leq 120\%$  of area median income).

Beneficiaries will be restricted to low-income, as defined by the NSP Notice. All participants will be restricted to the income levels below 50% as promulgated by HUD for this purpose.

(4) Projected Start Date:

Within 90 days of executed agreement with HUD.

(5) Projected End Date:

As long as funds are available (additional funds may be allocated to this activity depending upon the success of the resale portion of the NSP program and changing neighborhood dynamics as areas are stabilized)

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

City of Fontana  
8353 Sierra Ave  
Fontana, Ca 92335  
Valerie Gonzales, Project Specialist  
909-350-6625-phone  
909-350-6572-fax

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

Staff has identified the following census tracts to focus NSP funds for the Veteran Rental Program:

Central Fontana: 23.01, 24.02, 25.02, 28.00, 29.01, 29.02, 30.00, 31.00, 32.00, 33.01, 34.01

**(8) Activity Description:**

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

For housing related activities, include:

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

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

This activity is for acquisition/rehabilitation/rental, specifically for veterans earning less than 50 percent AMI. The City will work with the Department of Veterans Affairs to fill the rental units with Veterans earning less than 50 percent AMI.

**I. Total Budget:** (Include public and private components)

See attached Budget (Exhibit A)

The City will charge all costs such as appraisals, title searches and title insurance, environmental assessments, inspections, development fees, engineering studies and mitigation, market analysis, credit underwriting reports, and associated permits, to each individual project.

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

This activity is acquisition/rehab/rental to veterans earning less than 50 percent AMI. The performance measurement outcomes will be measured by the number of affordable rental units made available. The initial anticipated number to be served is estimated at 10 low-income households served.

## **CERTIFICATIONS**

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

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

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

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

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

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

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Signature/Authorized Official

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Date

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Kenneth R. Hunt, City Manager

Title

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## **NSP Substantial Amendment Checklist**

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

### **Contents of an NSP Action Plan Substantial Amendment**

Jurisdiction(s): City of Fontana Jurisdiction Web Address: www.fontanahousingauthority.org <i>(URL where NSP Substantial Amendment materials are posted)</i>	NSP Contact Person: Valerie Gonzales Address: 8353 Sierra Ave. Fontana, Ca 92335 Telephone: 909-350-6625 Fax: 909-350-6572 Email: vgonzale@fontana.org
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The elements in the substantial amendment required for the Neighborhood Stabilization Program are:

#### ***A. AREAS OF GREATEST NEED***

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

Yes  No  Verification found on page 3-9.

#### ***B. DISTRIBUTION AND USES OF FUNDS***

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

Yes  No  Verification found on page 10-11.

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

#### ***C. DEFINITIONS AND DESCRIPTIONS***

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

- a definition of "blighted structure" in the context of state or local law,  
Yes  No  Verification found on page 11.
- a definition of "affordable rents,"  
Yes  No  Verification found on page 11.
- a description of how the grantee will ensure continued affordability for NSP assisted housing,

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Yes  No  Verification found on page 12.

- a description of housing rehabilitation standards that will apply to NSP assisted activities?

Yes  No  Verification found on page 12.

**D. INFORMATION BY ACTIVITY**

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

- eligible use of funds under NSP,  
Yes  No  Verification found on page 14.
- correlated eligible activity under CDBG,  
Yes  No  Verification found on page 14.
- the areas of greatest need addressed by the activity or activities,  
Yes  No  Verification found on page 15.
- expected benefit to income-qualified persons or households or areas,  
Yes  No  Verification found on page 14.
- appropriate performance measures for the activity,  
Yes  No  Verification found on page 16.
- amount of funds budgeted for the activity,  
Yes  No  Verification found on page 15.

- the name, location and contact information for the entity that will carry out the activity,  
Yes  No  Verification found on page 14.
- expected start and end dates of the activity?  
Yes  No  Verification found on page 14.

**E. SPECIFIC ACTIVITY REQUIREMENTS**

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

If the activity includes acquisition of real property,

- the discount required for acquisition of foreclosed upon properties,  
Yes  No  Verification found on page 15.

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If the activity provides financing,

- the range of interest rates (if any),  
Yes  No  Verification found on page N/A.

If the activity provides housing,

- duration or term of assistance,  
Yes  No  Verification found on page 15.
- tenure of beneficiaries (e.g., rental or homeownership),  
Yes  No  Verification found on page 15.
- does it ensure continued affordability?  
Yes  No  Verification found on page 15.
- does the applicant indicate which activities will count toward the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?  
Yes  No  Verification found on page 17.

***F. LOW INCOME TARGETING***

- Has the grantee described how it will meet the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?  
Yes  No  Verification found on page 17.
- Has the grantee identified how the estimated amount of funds appropriated or otherwise made available will be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50% of area median income?  
Yes  No  Verification found on page 12 & 17.  
Amount budgeted = \$1,488,327.25.

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

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

Yes  No  (If no, continue to next heading)  
Verification found on page 13.

Does the substantial amendment include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities?  
Yes  No  Verification found on page 13.

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- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e.,  $\leq 120\%$  of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion)?  
Yes  No  Verification found on page 16.
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income?  
Yes  No  Verification found on page 18.

**H. PUBLIC COMMENT PERIOD**

Was the proposed action plan amendment published via the grantee jurisdiction's usual methods and on the Internet for no less than 15 calendar days of public comment?

Yes  No  Verification found on page 13.

Is there a summary of citizen comments included in the final amendment?

Yes  No  Verification found on page 13.

**I. WEBSITE PUBLICATION**

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

• SF 424	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
• Proposed NSP Substantial Amendment	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
• Final NSP Substantial Amendment	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
• Subsequent NSP Amendments	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

Website URL: [www.fontanahousingauthority.org](http://www.fontanahousingauthority.org)

**K. CERTIFICATIONS**

The following certifications are complete and accurate:

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

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(14) Compliance with lead-based paint procedures      Yes       No   
(15) Compliance with laws      Yes       No

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