

**NOTICE OF PROPOSED SUBSTANTIAL AMENDMENT TO THE CITY OF PERRIS
NEIGHBORHOOD STABILIZATION PROGRAM**

October 3, 2012

PROPOSED SUBSTANTIAL AMENDMENT TO THE NEIGHBORHOOD STABILIZATION PROGRAM

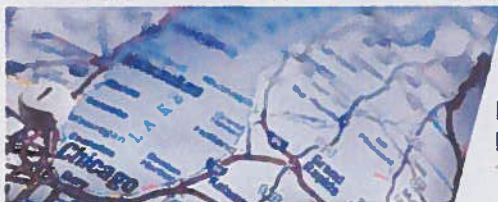
THE CITY OF PERRIS NOW HAS AVAILABLE FOR PUBLIC REVIEW AND COMMENT, INFORMATION ON A PROPOSED AMENDMENT TO THE CITY'S NEIGHBORHOOD STABILIZATION PROGRAM ACTION PLAN. THIS IS BEING PUBLISHED AS A NOTICE OF A 15-DAY PUBLIC COMMENT PERIOD ON THE PROPOSED AMENDMENT. THE CITY OF PERRIS IS PROPOSING THE FOLLOWING AMENDMENTS TO THE NEIGHBORHOOD STABILIZATION PROGRAM ACTION PLAN (NSP3):

NSP3 Substantial Amendment November 2011	
Original Blocks Comprising Target Neighborhood	
Original Census Tracts:	060650428001045, 060650428001041, 060650428001040, 060650428001039, 060650428001038, 060650428001037, 060650428001036, 060650428001035, 060650428001030, 060650428001029, 060650428001028, 060650428001027, 060650428001026, 060650428001011, 060650428002001, 060650428002003, 060650428002005, 060650428002025, 060650428002024, 060650428002023, 060650428002022, 060650428002021, 060650428002042, 060650428002041, 060650428002040, 060650428002039, 060650428002038, 060650428002037, 060650428002036, 060650428002035, 060650428002034, 060650428002060, 060650428002059, 060650428002058, 060650428002043, 060650428002033, 060650428002032, 060650428002031, 060650428002030, 060650428002026, 060650428002006, 060650428002004, 060650428002002, 060650428003003, 060650428003015, 060650428003014, 060650428003013, 060650428003012, 060650428003011, 060650428003009
NSP3 Substantial Amendment October 2012	
New/Amended Blocks Comprising Target Neighborhood	
New Census Tracts	060650428002003, 060650428002005, 060650428002007, 060650428002024, 060650428002023, 060650428002022, 060650428002021, 060650428002020, 060650428002019, 060650428002018, 060650428002042, 060650428002041, 060650428002040, 060650428002039, 060650428002038, 060650428002037, 060650428002036, 060650428002035, 060650428002034, 060650428002060, 060650428002059, 060650428002058, 060650428002057, 060650428002056, 060650428002053, 060650428002052, 060650428002051, 060650428002050, 060650428002047, 060650428002046, 060650428002045, 060650428002044, 060650428002043, 060650428002033, 060650428002032, 060650428002031, 060650428002006, 060650428002004, 060650428003012,

PUBLIC COMMENTS

For further information and to make public comment, submit written comments to the City of Perris Housing Division, 135 North D Street, Perris, California 92570; Monday through Thursday between the hours of 8 a.m. and 6 p.m. Target area map of new census tracts is attached to this notice and available for review at the Housing Division public counter. The City of Perris will receive public comment on this proposed amendment through October 18, 2012.


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Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities.

 Enter an Address, city or state

Go

 Select a State

 Select a County

Go

Map Options: [Clear](#) | [Reset](#)Click Mode: [Zoom](#) | [Info](#)NSP3 Legend (%): [Tract Outline](#)[LOG OUT](#)[Click here for an Overview](#)

NSP3 Options

14 Current Zoom Level

☐ Show Tracts Outline (Zoom 11+)
[DRAW](#)[TRACED](#)[VIEW DATA](#)[VIEW PROJECTS](#)[METHODOLOGY](#)[INSTRUCTIONS](#)

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in

total. If these target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



Map data ©2012 Google

Neighborhood ID: 2628997

NSP3 Planning Data

Grantee ID: 0627540E

Grantee State: CA

Grantee Name: PERRIS CITY

Grantee Address:

Grantee Email: aperez@cityofperris.org

Neighborhood Name: Downtown Perris 2

Date: 2012-05-08 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: 20

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 460

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 91.41

Percent Persons Less than 80% AMI: 80.67

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: 463

Residential Addresses Vacant 90 or more days (USPS, March 2010): 14

Residential Addresses NoStat (USPS, March 2010): 7

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: 250

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 37.8

Percent of Housing Units 90 or more days delinquent or in foreclosure: 26.1

Number of Foreclosure Starts in past year: 31

Number of Housing Units Real Estate Owned July 2009 to June 2010: 18

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): 6

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): -44.3

Place (if place over 20,000) or county unemployment rate June 2005: 7.9

Place (if place over 20,000) or county unemployment rate June 2010: 21.4

*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

-117.234764 33.774938 -117.234764 33.782500 -117.225752 33.782144 -117.225924 33.775366

Blocks Comprising Target Neighborhood

060650428002003, 060650428002005, 060650428002007, 060650428002024, 060650428002023,
060650428002022, 060650428002021, 060650428002020, 060650428002019, 060650428002018,
060650428002042, 060650428002041, 060650428002040, 060650428002039, 060650428002038,
060650428002037, 060650428002036, 060650428002035, 060650428002034, 060650428002060,
060650428002059, 060650428002058, 060650428002057, 060650428002056, 060650428002053,
060650428002052, 060650428002051, 060650428002050, 060650428002047, 060650428002046,
060650428002045, 060650428002044, 060650428002043, 060650428002033, 060650428002032,
060650428002031, 060650428002006, 060650428002004, 060650428003012,

THE NSP SUBSTANTIAL AMENDMENT

1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Madkin, Darren
Email Address	dmadkin@cityofperris.org
Phone Number	951-943-6100
Mailing Address	101 North D Street, Perris CA 92570

2. Areas of Greatest Need

Map Submission

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

Data Sources Used to Determine Areas of Greatest Need

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

Response: The City of Perris 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 City has also contacted the following real estate professionals to discuss market conditions and available inventory:

- Ashley Kroencke Real Estate – Eric Kroencke, Real Estate Professional
- QMG Real Estate – Scott Larson, Real Estate Professional
- Marcus & Millichap – Reza Ghaffari, First Vice President Investments
- National Community Stabilization Trust – Adam Eliason, President Civic Stone

Determination of Areas of Greatest Need

Describe how the areas of greatest need were established.

Response: The City of Perris utilized the expertise of two local real estate companies, one in particular which has specialized in the City of Perris market for over 10-years. Ashley Kroencke Real Estate has operated in the City of Perris since 1995 and has been a key contributor to the City's Foreclosed Homeownership Program (FHP). In 2009 The Perris City Council approved the use of Redevelopment Agency set-aside funds to purchase foreclosed single family homes in Perris, rehabilitate and resell these homes to income qualified first time homebuyers.

To date the City has completed 20 homes and currently owns 6 properties still under construction or being marketed for re-sale. Ashley Kroencke real estate has provided the City of Perris with resale and comparable sales reporting data on single family homes sales over the past two years. The City has worked closely with this group to establish purchase price guidelines and evaluate the sales prices for homes completed in the FHP Program.

The City of Perris also utilized data within the Downtown Specific Plan to help identify target areas which could be cross referenced to target areas established using HUD's NSP mapping tool. Finally the City compiled data on the over 200 down payment assistance loans the City of Perris has issued over the past 2 ½ years to determine which areas within the Cit had foreclosed homes purchased by first-time homebuyers. This data was cross-referenced with the data provided from the HUD mapping tool.

The City will distribute funds in targeted Census tracts/Block groups as identified on the map generated using the HUD NSP3 Mapping Tool. Funds will be distributed for the following eligible uses:

1. Financing Mechanisms
2. Purchase and rehabilitation of residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties
3. Demolition of blighted structures
4. Redevelop demolished or vacant properties
5. Land Banks
6. Administration and Planning

Funds in an amount not to exceed 10% of the total grant amount, plus 10% of program income will be used for Program Planning\Administration.

3. Definitions and Descriptions

Definitions

Term	Definition
Blighted Structure	<p>The City 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 The City of Perris 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; • 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	<p>The City 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 City is using the maximum rent limits allowed for affordable units in</p>

	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.
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Descriptions

Term	Definition
Long-Term Affordability	The City will enter into long term NSP Regulatory Agreements recorded against each property to ensure long-term affordability for a minimum term of 15 years for all NSP activities.
Housing Rehabilitation Standards	<p>Applicable Housing Rehabilitation Standards:</p> <p>At a minimum, NSP grantees must follow the adopted California Green Building Code available for preview at http://www.documents.dgs.ca.gov/bsc/CALGreen/2010_CA_Green_Bldg.pdf</p> <p>All City of Perris Housing Rehabilitation programs follow these standards and specifications. In addition, developers/contractors participating in the City of Perris NSP Programs will follow the standards listed below:</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 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. • 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 City of Perris 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 = \$335,613.00

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 the City of Perris will restrict a minimum of 25% for individuals or families with an income level at or below 50% of AMI. The City will record Affordability Covenants against the property to insure the property maintains the Low-Income level restriction over a given affordability period. For Down Payment assistance the City will reserve 25% of the total monies set aside for this program toward homebuyers at or below the 50% AMI level. As part of the loan documents completed with each transaction, the City will record affordability covenants against each property to ensure the affordability is maintained.

There are currently no activities planned to develop rental housing. However, if the opportunity for the development of rental housing becomes available, the City of Perris will insure that units are reserved specifically for tenants at or below 50% AMI in order to meet the 25% set aside requirement.

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., \leq 80% of area median income)?	No
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If yes, fill in the table below.

Question	Number of Units
The number of low- and moderate-income dwelling units—i.e., \leq 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.	
The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., \leq 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for	

commencement and completion).	
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	

6. Public Comment

Citizen Participation Plan

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

Response: In accordance with the City of Perris' Citizen Participation Plan as described in the 2009-2014 Consolidated Plan, the City of Perris advertised the NSP-3 Substantial Amendment notice for 15 days, beginning on September 26, 2012, on the City's website available at: <http://www.cityofperris.org/residents/affordable-housing/NSP.html>. The City advertised in the local newspaper on October 3, 2012, the Perris Progress, and posted a hard copy version of this amendment at Perris City Hall. A copy of the published notice is provided as an attachment to this document. There were no public comments received as of the end of the comment period on October 18, 2012.

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	Homebuyer Assistance for Foreclosed Home Purchases
Uses	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	As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206
National Objective	Low-Income Housing to Meet 25% Set-Aside (LH25)
Activity Description	The purpose of the NSP-3 Homebuyer Assistance Program is to enable very

	low income households to purchase foreclosed single family homes within the target areas of Perris. Under this program the City would provide an affordability gap silent second mortgage to assist in the acquisition of a foreclosed single family home within Perris. 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 \$25,000 would be made with a lien recorded to ensure the property is not sold, refinanced or rented during the affordability period. The loan will have a zero percent (0%) interest rate, with all payments deferred until the home is sold, refinanced with cash out, or if a significant change in ownership occurs. The program would be geographically focused on the City's areas of greatest need. Based on the data accumulated through the 200+ down payment assistance loans the City of Perris has issued over the past 2 ½ years, staff was able to identify areas within the City which have assisted first-time homebuyers purchase foreclosed homes and target those areas using the HUD mapping tool. The result is two NSP target areas which have produced the largest number of foreclosed homes purchased by first-time homebuyers.	
Location Description	Downtown Central area of Perris	
Budget	Source of Funding	Dollar Amount
	NSP3	\$25,000
	(Other funding source)	\$
	(Other funding source)	\$
Total Budget for Activity	\$25,000	
Performance Measures	1 housing unit will be acquired for income levels of households that are 50% of area median income and below.	
Projected Start Date	March 2, 2011	
Projected End Date	March 2, 2014	
Responsible Organization	Name	City of Perris
	Location	101 North D Street, Perris, CA 92570
	Administrator Contact Info	Darren Madkin, Deputy City Manager dmadkin@cityofperris.org (951) 943-6100

Activity Number 2	
Activity Name	Homebuyer Assistance for Foreclosed Home Purchases
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	As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206
National Objective	Low Moderate Middle Income Housing (LMMH)
Activity Description	The purpose of the NSP-3 Homebuyer Assistance Program is to enable low-, moderate- and middle income households to purchase foreclosed single family homes within the target areas of Perris. Under this program the City

	would provide an affordability gap silent second mortgage to assist in the acquisition of a foreclosed single family home within Perris. 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 \$25,000 would be made with a lien recorded to ensure the property is not sold, refinanced or rented during the affordability period. The loan will have a zero percent (0%) interest rate, with all payments deferred until the home is sold, refinanced with cash out, or if a significant change in ownership occurs. The program would be geographically focused on the City's areas of greatest need. Based on the data accumulated through the 200+ down payment assistance loans the City of Perris has issued over the past 2 ½ years, staff was able to identify areas within the City which have assisted first-time homebuyers purchase foreclosed homes and target those areas using the HUD mapping tool. The result is two NSP target areas which have produced the largest number of foreclosed homes purchased by first-time homebuyers.	
Location Description	Downtown Central area of Perris	
Budget	Source of Funding	Dollar Amount
	NSP3	\$ 50,000
	(Other funding source)	\$
	(Other funding source)	\$
Total Budget for Activity	\$ 50,000	
Performance Measures	2 housing units will be acquired for income levels of households that are 120% of area median income and below.	
Projected Start Date	3/2/2011	
Projected End Date	3/2/2014	
Responsible Organization	Name	City of Perris
	Location	101 North D Street, Perris, CA 92570
	Administrator Contact Info	Darren Madkin, Deputy City Manager dmadkin@cityofperris.org (951) 943-6100

Activity Number 3	
Activity Name	Single Family Acquisition and Rehabilitation
Use	Select all that apply:
	<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	24 CFR 570.201(a) Acquisition; (b) Disposition
National Objective	Low Moderate Middle Income Housing (LMMH)
Activity Description	The City of Perris will release a Request for Proposals from qualified developers to acquire and rehabilitate single family foreclosed homes for sale to low, moderate, and middle income households within the two target areas downtown Perris. It is the City's policy to award business contracts to companies located in and/or owned in substantial part by persons residing

	within the designated target areas. Residents of the target areas will be provided, to the greatest extent feasible, employment and training opportunities emanating from such contracts. City staff will connect businesses with the Riverside County Cal WORKS GAIN office to enlist their support in recruiting, hiring, and training persons living in the target areas. After acquisition and rehabilitation is completed, if the City cannot sell the units produced; the City may exercise the option to rent the units using the maximum rent limits allowed for affordable units in accordance with Section 95.252 of HUD HOME program regulations for households at or below 80% AMI. The HUD fair market rent limits will be used for households with incomes between 81% and 120% of AMI.	
Location Description	Central and South Downtown Perris	
Budget	Source of Funding	Dollar Amount
	NSP3	\$ Pending Program Income from Activity 4
	(Other funding source)	\$
	(Other funding source)	\$
Total Budget for Activity		\$ Pending Program Income from Activity 4
Performance Measures	A total of \$633,205 proposed for reallocation to Activity Number 4: Single Family New Construction to proceed with the acquisition of three vacant lots and construction of three new single family detached homes. Program Income received from resale proceeds of two single family homes will be returned to this NSP Activity for Single Family Acquisition and Rehabilitation.	
Projected Start Date	3/2/2011	
Projected End Date	3/2/2014	
Responsible Organization	Name	City of Perris
	Location	101 North D Street, Perris, CA 92570
	Administrator Contact Info	Darren Madkin, Deputy City Manager dmadkin@cityofperris.org (951) 943-6100

Activity Number 4	
Activity Name	Single Family New Construction
Use	Select all that apply:
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms
	<input type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/> Eligible Use C: Land Banking
	<input type="checkbox"/> Eligible Use D: Demolition
	<input checked="" type="checkbox"/> Eligible Use E: Redevelopment
CDBG Activity or Activities	24 CFR 570.021 (b) disposition
National Objective	Low-Income Housing to Meet 25% Set-Aside (LH25)
Activity Description	The purpose of the NSP-3 Single Family New Construction project is to partner with a qualified developer to construct single family homes within the City of Perris target areas on vacant parcels of land. The City of Perris will seek to

	partner with a non-profit developer in order to maximize the opportunity for donations to new construction projects on items such as; building materials, landscaping, energy efficient green building items and labor. The City of Perris will require the developer to acquire a vacant parcel, located within the downtown target areas, for use on this project. Once the home construction is completed, it will be sold by the developer to a first time homebuyer(s) with an income level up to 120% AMI. An affordability covenant will be placed on the property to insure the property stays affordable for a minimum of 15 years. After construction is completed, if the City cannot sell the units produced; the City may exercise the option to rent the units using the HUD fair market rent limits for households with incomes up to 120% of AMI.	
Location Description	Central and South Downtown Perris	
Budget	Source of Funding	Dollar Amount
	NSP3	\$900,205
	(Other funding source)	\$
	(Other funding source)	\$
Total Budget for Activity		\$900,205
Performance Measures	4 housing units will be acquired for income levels of households that are up to 120 percent of area median income and below.	
Projected Start Date	3/2/2011	
Projected End Date	3/2/2014	
Responsible Organization	Name	City of Perris
	Location	101 North D Street, Perris, CA 92570
	Administrator Contact Info	Darren Madkin, Deputy City Manager dmadkin@cityofperris.org (951) 943-6100

Activity Number 5		
Activity Name	NSP3 Administration	
Use	Select all that apply:	
	<input type="checkbox"/>	Eligible Use A: Financing Mechanisms
	<input type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/>	Eligible Use C: Land Banking
	<input type="checkbox"/>	Eligible Use D: Demolition
	<input type="checkbox"/>	Eligible Use E: Redevelopment
CDBG Activity or Activities	Administration	
National Objective	(Select One)	
Activity Description	This activity is for grant administration of the NSP3 funds.	
Location Description	N/a	
Budget	Source of Funding	Dollar Amount
	NSP3	\$134,244.00
	(Other funding source)	\$
	(Other funding source)	\$
Total Budget for Activity		\$134,244.00

Performance Measures	n/a	
Projected Start Date	3/2/2011	
Projected End Date	3/2/2014	
Responsible Organization	Name	City of Perris
	Location	101 North D Street, Perris, CA 92570
	Administrator Contact Info	Darren Madkin, Deputy City Manager dmadkin@cityofperris.org (951) 943-6100