

# CITY OF PERRIS

NEIGHBORHOOD STABILIZATION PROGRAM NSP-3

SUBSTANTIAL AMENDMENT

TO THE 2010-11 ACTION PLAN AND

2009-2014 FIVE YEAR CONSOLIDATED PLAN

FEBRUARY 22, 2011

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## 1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Madkin, Darren
Email Address	Dmadkin@cityofperris.org
Phone Number	951-443-1029
Mailing Address	101 N. 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 Attachment 1.

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

Describe the data sources used to determine the areas of greatest need.
<p>Response:</p> <p>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 <a href="http://www.huduser.org/nsp/nsp3.html">http://www.huduser.org/nsp/nsp3.html</a>.</p> <p>In addition to this tool the City has also contacted the following real estate professionals to discuss market conditions and available inventory:</p> <ul style="list-style-type: none"><li>• Ashley Kroencke Real Estate – Eric Kroencke, Real Estate Professional</li><li>• QMG Real Estate – Scott Larson, Real Estate Professional</li><li>• Marcus &amp; Millichap – Reza Ghaffari, First Vice President Investments</li><li>• National Community Stabilization Trust – Adam Eliason, President Civic Stone</li></ul>

### 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.
<p>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.</p> <p>The City of Perris also utilized data within the Downtown Specific Plan to help identify target areas which</p>

could be cross referenced to target areas established using HUD’s NSP mapping tool.

### 3. Definitions and Descriptions

#### Definitions

Term	Definition
Blighted Structure	<p>The City will rely upon California Health and Safety Code Sections 33030 and 33031 <a href="http://www.leginfo.ca.gov/cgi-bin/displaycode?section=hsc&amp;group=33001-34000&amp;file=33030-33039">http://www.leginfo.ca.gov/cgi-bin/displaycode?section=hsc&amp;group=33001-34000&amp;file=33030-33039</a> 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"> <li>• 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;</li> <li>• A building which suffers from substandard, defective design or construction given the current development standards;</li> <li>• A building that has hazardous waste within;</li> <li>• A building which is vacant and abandoned;</li> <li>• A building in need of extensive rehabilitation;</li> <li>• A building susceptible to collapse from seismic hazards; and,</li> <li>• A building in such a state as to cause serious public safety concerns.</li> </ul>
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 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.</p>

#### Descriptions

Term	Definition
Long-Term Affordability	<p>The City will enter into long term NSP Regulatory Agreements recorded against the property to ensure long-term affordability for a minimum term of 15 years.</p>

<p>Housing Rehabilitation Standards</p>	<p>Applicable Housing Rehabilitation Standards</p> <p>At a minimum, NSP grantees must use the City of Perris Housing Rehabilitation Standards and Specifications. Available at <a href="http://www.cityofperris.org">www.cityofperris.org</a>. In addition to the City’s rehabilitation standards, all construction will comply with the following NSP requirements:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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).</li> <li>• 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.</li> <li>• Water efficient toilets, showers, and faucets, such as those with the Water Sense label, must be installed.</li> <li>• Where relevant, the housing should be improved to mitigate the impact of disasters (e.g., earthquake, hurricane, flooding, and fires).</li> <li>• 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 <a href="http://www.hud.gov/nspta">www.hud.gov/nspta</a> and <a href="http://www.federalregister.gov/articles/2010/10/19/2010-26292/notice-of-formula-allocations-and-program-requirements-for-neighborhood-stabilization-program#h-84">http://www.federalregister.gov/articles/2010/10/19/2010-26292/notice-of-formula-allocations-and-program-requirements-for-neighborhood-stabilization-program#h-84</a>.</li> </ul>
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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 <b>percentage</b> (must be no less than 25 percent): 25.00% Total funds set aside for low-income individuals = \$335,613.00
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### 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 and down payment assistance for first time homebuyers purchasing a foreclosed home within the target area utilizing NSP-3 funding, the City of Perris will restrict a minimum of 25% of the total units 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.

## 5. Acquisition and Relocation

### Demolition or Conversion of LMI Units

Does the grantee intend to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income)?	No
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If yes, fill in the table below.

Question	Number of Units
The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.	NA
The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).	NA
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	NA

## 6. Public Comment

### 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 on the City's website at [www.cityofperris.org](http://www.cityofperris.org) (see attached Appendix A: Public Comment). In addition the City advertised the application in the Perris Progress.

### 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.

<b>Activity Number 1</b>	
<b>Activity Name</b>	Perris Station Senior Apartments, New Construction
<b>Uses</b>	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 checked="" type="checkbox"/> Eligible Use E: Redevelopment
<b>CDBG Activity or Activities</b>	24CFR 570.201 (a) Acquisition, (b) Disposition, (c) Public Facilities and Improvements, (i) Relocation
<b>National Objective</b>	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).
<b>Activity Description</b>	<p>The City of Perris Redevelopment Agency purchased a vacant parcel a few years back in their downtown area and contracted with an affordable housing developer to design, build and operate 80 units of affordable senior housing. The project has competed for 9% tax credits over the last year and the additional subsidy (other than tax credits) has not been high enough for the project to win. The City of Perris is proposing to replace a portion of the tax credits with NSP-3 funding in order to raise the 9% tax credit tie breaker and allow the project to receive funding. If the Developer is able to lower the dollar amount request for tax credits and replace this gap with NSP-3 funds, the overall tiebreaker for the 9% tax credits would go up and the project will have a strong chance of being awarded financing.</p> <ul style="list-style-type: none"> <li>• The City of Perris Redevelopment Agency already owns the land and is donating it as part of their contribution.</li> <li>• The project is a mixed use development that will have retail on the</li> </ul>

	<p>bottom floor and affordable senior rental apartments on floors 2-4. All NSP-3 funding will go towards construction costs on floors 2-4 only (housing only).</p> <ul style="list-style-type: none"> <li>• The City of Perris would be using eligible use E (Redevelopment)</li> <li>• The project has numerous funding sources including approx \$18M in tax credit equity, \$6M in RDA funding, \$1M in County funding and \$800k in a transit oriented development grant</li> <li>• The project is located in the City's downtown area, across the street from the City of Perris Senior Center, a public library and City Hall</li> <li>• The proposed project is a Transit Oriented Development that will be located approximately 1000 feet from the newly completed Perris train/bus station which will begin to service a Metro link stop in 2013</li> <li>• This project provides the City of Perris with the greatest opportunity to leverage the NSP-3 funds and make a strong centralized impact with 80-units all meeting the income requirements of NSP</li> <li>• The City of Perris has already entered into a DDA with the selected affordable housing developer and all City Council approval needed for funding has been completed</li> <li>• The project is fully entitled and has gone through all Planning Commission approvals and public hearings</li> <li>• The project scores at 20 using the HUD mapping tool and is also part of the City of Perris downtown specific plan</li> </ul> <p>New construction will meet 2010 California Green Standards available at <a href="http://www.documents.dgs.ca.gov/bsc/Title_24/documents/2010/Part%2011/2010_CA_Green_Bldg.pdf">http://www.documents.dgs.ca.gov/bsc/Title_24/documents/2010/Part%2011/2010_CA_Green_Bldg.pdf</a></p>	
<b>Location Description</b>	Southwest corner of D. Street and San Jacinto, Downtown Perris	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$800,000
	Tax Credit Equity, RDA Grant, County funding, TOD Grant	\$24,800,000
	Permanent Financing	\$2,400,000
<b>Total Budget for Activity</b>	<b>\$27,800,000</b>	
<b>Performance Measures</b>	The City of Perris 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.	
<b>Projected Start Date</b>	7/1/2011	
<b>Projected End Date</b>	1/1/2014	
<b>Responsible Organization</b>	<b>Name</b>	City of Perris
	<b>Location</b>	101 North "D" Street Perris, CA 92570
	<b>Administrator Contact Info</b>	Darren Madkin, Deputy City Manager Dmadkin@cityofperris.org (951)830-9678

**Activity Number 2**



<b>Activity Name</b>	Single Family New Construction	
<b>Use</b>	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	
<b>CDBG Activity or Activities</b>	24CFR 570.201 (b) Disposition	
<b>National Objective</b>	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).	
<b>Activity Description</b>	The purpose of the NSP-3 Single Family New Construction project is to partner with the local chapter of Habitat for Humanity to construct a single family home within the City of Perris target area on a vacant parcel of land. The City of Perris will partner with Habitat for Humanity in order to maximize the opportunity for donations to a new construction project on items such as; building materials, landscaping, energy efficient green building items and labor. The City of Perris Redevelopment Agency will donate the existing vacant parcel, located within the downtown district, for use on this project. Once the home completes construction it will be sold to a first time homebuyer(s) with an income level at or below 120% AMI. Affordability covenants will be placed on the property to insure the property stays affordable for a minimum 15 years.	
<b>Location Description</b>	Downtown Central Perris, APN#313-092-021	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$100,000
	(Other funding source)	\$0
	(Other funding source)	\$0
<b>Total Budget for Activity</b>	\$100,000	
<b>Performance Measures</b>	The City of Perris has set a performance measure of 1 single family unit constructed and sold within this central target area. This project will have affordability covenants recorded to insure the property will maintain the affordability for a minimum twenty years.	
<b>Projected Start Date</b>	05/15/2011	
<b>Projected End Date</b>	2/1/2012	
<b>Responsible Organization</b>	<b>Name</b>	City of Perris
	<b>Location</b>	101 North "D" Street Perris, CA 92570
	<b>Administrator Contact Info</b>	Darren Madkin, Deputy City Manager <a href="mailto:Dmadkin@cityofperris.org">Dmadkin@cityofperris.org</a> (951) 830-9678

**Activity Number 3**

<b>Activity Name</b>	Homebuyer Assistance for Foreclosed Homes Purchases
<b>Use</b>	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
<b>CDBG Activity or Activities</b>	As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206	
<b>National Objective</b>	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).	
<b>Activity Description</b>	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 \$50,000 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.	
<b>Location Description</b>	Downtown Central area of Perris	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$308,205
	(Other funding source)	\$0
	(Other funding source)	\$0
<b>Total Budget for Activity</b>	\$308,205	
<b>Performance Measures</b>	The City of Perris has set a performance measure of 8 Homebuyer Assistance Loans within a central target area. All 8 units will have affordability covenants recorded against the property that will maintain the affordability of these units for a minimum fifteen years.	
<b>Projected Start Date</b>	05/15/2011	
<b>Projected End Date</b>	05/01/2014	
<b>Responsible Organization</b>	<b>Name</b>	City of Perris
	<b>Location</b>	101 North "D" Street Perris, CA 92570
	<b>Administrator Contact Info</b>	Darren Madkin, Deputy City Manager <a href="mailto:Dmadkin@cityofperris.org">Dmadkin@cityofperris.org</a> (951) 830-9678

## 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.

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Signature/Authorized Official

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Date

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.

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Signature/Authorized Official

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Date

## **APPENDICES**

Appendix A: Public Comment

Appendix B: Application for Federal Assistance Form SF 424

## Appendix A: Public Comment

### Public Notice and Summary of Public Comment

<p style="text-align: center;"><b>City of Perris</b> <b>Notice of Application to Substantial Plan Amendment 2010-2011 Action Plan</b></p> <p style="text-align: center;"><b>Neighborhood Stabilization Program 3 (NSP3) under the Wall Street Reform and Consumer Protection Act of 2010</b></p> <p>NOTICE IS HEREBY GIVEN that a proposed substantial plan amendment document is available for review and comment and that the City Council of the City of Perris will consider and approve the Substantial Plan Amendment <u>Tuesday, February 22, 2011 at 6:00 p.m.</u>, in the Council Chambers, 101 N. D Street, Perris, CA. The purpose of the Board meeting is to consider a proposed substantial plan amendment to enable the City 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.</p> <p><u>BACKGROUND:</u> 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).</p> <p>The City of Perris was allocated \$1,342,449 of NSP3 funds. These funds will be used to develop affordable housing within specific target areas.</p> <p><u>ADDITIONAL PROVISION:</u> Items may be added or deleted from this proposed Substantial Plan Amendment at the City Council meeting.</p> <p><u>CITIZEN REVIEW AND COMMENTS:</u> The substantial amendment will be available for public review and comment during a fifteen (15) day period from February 8, 2011 to February 22, 2011 at the City Housing's address listed below. Also, the substantial amendment can be viewed on the City's Internet Site at <a href="http://www.cityofperris.org">www.cityofperris.org</a>. Citizen comments on this proposed substantial amendment are welcomed. Send comments to the City's Housing Division at the address shown below.</p> <p>City of Perris Housing Division 101 N. D Street Perris, CA 92570 Attn: Darren Madkin, Deputy City Manager or call (951) 830-9678</p>
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### **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.cityofperris.org](http://www.cityofperris.org) on February 8, 2011 and was advertised in the following newspapers:

On February 22, 2011, Perris City Council meeting agenda Item No. XX Neighborhood Stabilization Program 3 (NSP3) Application: **no comments were received.**

**Appendix B: Application for Federal Assistance Form SF 424**

**See attached.**

