

# **NSP GRANT SUBMISSION TEMPLATE**

## **& CHECKLIST**

(UPDATED 10.21.08)

NSP grant allocations can be requested by submitting a paper NSP Substantial Amendment or a form under the Disaster Recovery Grant Reporting (DRGR) system. This template sets forth the suggested format for grantees under the NSP Program. A complete submission contains the information requested below, including:

- (1) The NSP Substantial Amendment (attached below)
- (2) Signed and Dated Certifications (attached below)
- (3) Signed and Dated [SF-424](#).

Grantees should also attach a completed NSP Substantial Amendment Checklist to ensure completeness and efficiency of review (attached below).

# THE NSP SUBSTANTIAL AMENDMENT

Jurisdiction(s): <u>City of Jersey City – Division of Community Development</u> <i>(identify lead entity in case of joint agreements)</i>  Jurisdiction Web Address: <a href="http://jerseycitynj.gov/hedc.aspx?id=1176">http://jerseycitynj.gov/hedc.aspx?id=1176</a> <ul style="list-style-type: none"><li>• <i>(URL where NSP Substantial Amendment materials are posted)</i></li></ul>	NSP Contact Person: Darice Toon Address: 30 Montgomery Street, Room 404, Jersey City, NJ 07302 Telephone: 201-547-5304 Fax: 201-547-5986 Email: darice@jcnj.org
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## **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](#), in developing this section of the Substantial Amendment.

Response:

## **2000 DEMOGRAPHIC PROFILE**

Jersey City is the second largest city in the State of New Jersey and the largest in Hudson County. It is an urban environment with a land area of 14.9 square miles and a population density of 12,956.9 people per square mile. Jersey City has one of the highest concentrations of low- to moderate-income persons in the state. Jersey City is comprised of six (6) wards and the population in each ward is fairly evenly distributed (see Table 1).

**TABLE 1:**

**Jersey City Population by Ward**

<b>WARD</b>	<b>POPULATION</b>
A	41,179
B	38,927
C	39,816
D	41,088
E	40,612
F	38,433

Source: 2000 Census

The areas of greatest need in Jersey City are as follows:

**TARGETED NEIGHBORHOODS**

**WARD A**

**Ward A Targeted Boundaries**

Van Nostrand Avenue between Kennedy Boulevard and Ocean Avenue

**Ward A Description**

The Greenville neighborhood is situated on the southern tip of Jersey City. It stretches from the Tidal Basin of the Hudson River on its east to the Hackensack River/Route 440 on its West, with Culver Avenue as its northern border.

There are several residential communities in Greenville. The older section of single-family homes, built in the early 1900s, is located on the eastern edge of the area. It is adjacent to the Greenville Yards, industrial railroad spurs built in the early 1900's. In the early 1960's, "Country Village" was built along the western edge, with blocks of two-family attached and detached houses created in a curved pattern to allow for winding streets. Several senior citizen mid-rise buildings were also constructed during the 1960s.

The latest residential growth occurred in the late 1990's with the creation of Franklin Village adjacent to Our Lady of Mercy (OLM) church and school. In the year 2000, close to 60% of all housing units in the Greenville area were owner-occupied, a proportion far greater than the 27% citywide.

Of Greenville's more than 43,000 residents, almost 80% were born in the U.S. Median family income in 1999 stood at \$42,206, somewhat above the \$41,639 citywide average. In the year 2000, about 40% of all residents in the Greenville area 25 years of age and over had some college or were college graduates. Just over a quarter of all adults had less than a high school education.

**Rationale**

The city of Jersey City will target one block – Van Nostrand Avenue – in Ward A which is located in a high risk area. Van Nostrand Avenue is located one (1) block south of the area in the City that is very high risk. It is a stable block that consists of primarily 2 family structures. The block contains six (6) bank owned foreclosures that could be purchased by eligible families. It also contains four (4) abandoned properties. The City recently acquired and demolished three (3) vacant properties that are in the pipeline for development by a local non-profit. Also, the block contains two (2) dilapidated pocket parks that are scheduled to be rehabilitated within the next twelve (12) months.

The following is a list of specific projects in planning on Van Nostrand Avenue:

- △ New construction of three (3) two-family affordable homes that will be sold to moderate income families.
  
- △ Refurbishment of two (2) dilapidated pocket parks.

Other projects of planning within a few blocks of Van Nostrand Avenue are:

<b>Project Name</b>	<b>No. of Units</b>	<b>Project Location</b>
Bay Bay Senior Housing	62 units of affordable senior housing	9 -11 Martin Lither King Drive
Ocean Point East/West	59 units of affordable senior housing	Ocean Avenue between Dwight Street and Fulton Avenue

WARD A TARGETED NEIGHBORHOOD VIEWS



## **WARD B**

### **Ward B Targeted Boundaries**

Lexington Avenue from Kennedy Boulevard to Westside Avenue

### **Ward B Description**

The **West Side** neighborhood, located on the western edge of Jersey City is one of the oldest and most densely populated parts of the City. It was, at one time, home to several large industrial centers and still has several large manufacturers and industrial operations, primarily along the southern edge of Westside Avenue.

West Side's major retail center is located on West Side Avenue. Other retail corridors include one along Communipaw Avenue and the other along Kennedy Boulevard.

### **Ward B Description (Cont'd)**

New Jersey City University (NJCU), located along the southern edge of the area on Culver Avenue, has been a major engine of economic renewal. It is redeveloping the University's campus and has purchased properties in the vicinity of the campus for mixed-use development including student housing.

Housing in the area ranges from single-family Victorian homes surrounding Lincoln Park to pre-war high-rise dwellings to two-three story row houses interspersed with detached single-family homes. Rental units account for about two-thirds of all housing in the area.

Of the area's close to 31,000 residents, about a third were born outside of the U.S. Median family income in 1999 stood at \$40,736 just about the same as the City median income of \$40,639. In the year 2000, about 42% of all residents in the area 25 years of age and over had some college or were college graduates. About 30% of all adults had less than a high school education.

### **Rationale**

The City will target one block – Lexington Avenue – in Ward B which is located in a high risk area. Lexington Avenue contains a combination of multi-family apartment buildings and two-family homes. Ward B has the third highest percentage of foreclosures of the six (6) wards in Jersey City. The area is high risk based on the number of high cost loans. Also, the area contains a few clusters of abandoned properties.

**WARD B TARGETED NEIGHBORHOOD VIEWS**



## **WARD F**

### **Ward F Targeted Boundaries**

Generally within the boundaries of Garfield Avenue, Ocean Avenue, Bergen Avenue, Kennedy Boulevard and Martin Luther King Drive; from Communipaw Avenue to Armstrong Avenue (see map). Also, the City will target Jewett Avenue between Monticello and Summit Avenues.

### **Ward F Description**

The Martin Luther King-Bergen/Lafayette (MLK-B/L) neighborhood is located in the central part of Jersey City. It is surrounded by five other neighborhoods. Liberty State Park is its eastern border and Bergen Avenue in the West Side neighborhood its western border. The northern border is jagged around Grand Street and Fairmont Avenue in McGinley Square. The southern border is Wegman Parkway separating MLK-B/L from Greenville. The principal retail center in the MLK-B/L neighborhood runs along Martin Luther King Drive. The Drive was previously known as Jackson Avenue, an upscale shopping corridor in the 1940s and 1950s. Storefronts of many original Jackson Avenue stores are still evident. Retailers are using some today; others stand vacant. Several smaller retail strips run along other east-west roads in the neighborhood.

The Neighborhood Stabilization Program (NSP) areas of greatest need in Ward F are located in and around the MLK Hub and beyond. The MLK Hub, located along MLK Drive and Virginia Avenue, is one of Jersey City's most ambitious inner-city economic revitalization projects. The Hub is home to a new firehouse, a supermarket and retail strip mall and a new post office. Significant investment of public capital has been invested in the area.

At one time, there were a number of manufacturing companies on sites located on the eastern edge of the neighborhood, around Garfield Avenue bordering Liberty State Park. These sites, once abandoned, are being purchased with the intention of turning them into residential uses. With two light rail stops in or adjacent to the area, it is more accessible to downtown Jersey City and New York City than any other part of Jersey City, with the exception of the Waterfront.

There are several low-income housing projects scattered throughout the Martin Luther King/Bergen/Lafayette neighborhood. In the year 2000, rental units comprised about 70% of all housing units in the area. Of its close to 25,000 residents, almost 85% were born in the U.S. Median family income in 1999 stood at \$30,306, significantly below the \$41,639 median income for the City as a whole. In the year 2000, close to one out of every three adults over the age of 25 had some college or a college degree. However, the same proportion also had less than a high school education.

## **Rationale**

The area of greatest risk of subprime loans, foreclosures and abandonment in Jersey City is Ward F (see map).

More than forty-five percent (45.8%) of foreclosed properties tracked by the Hudson County Sheriff's Office and Realty Trac are located in Ward F. (January 2007 – July 2008). In addition, approximately fifty-one percent (51%) of abandoned properties in Jersey City are located in Ward F. NSP investments on targeted blocks along with other targeted investments will have a measurable impact.

The City has a few redevelopment plans in place for major corridors (MLK Drive, Ocean Avenue and Monticello Avenue) in Ward F. Also, specific neighborhood plans have been developed for Monticello Avenue and the surrounding neighborhood. Several developments are in various stages of planning or development in Ward F. The following is a list of completed projects and developments in planning:

### **Recently Completed Projects / Under Construction**

<b>Project Name</b>	<b>Project Description</b>	<b>Project Location</b>
Harriet Tubman Homes	Project consists of 8 mix income townhouses	Martin Luther King Drive between Bostwick Avenue and Myrtle Street
Cunningham Library	Full service library	Martin Luther King Drive between Bostwick Avenue and Myrtle Street
Urban League of Hudson County Headquarters	Headquarters for the Urban League of Hudson County	Martin Luther King Drive between Wilkinson Avenue and Bostwick Avenue
RPM Development	New Construction Multi-Family Affordable Housing Development	Bostwick Avenue between Martin Luther King Drive and Ocean Avenue
Toy Factory Apartments	46 affordable rental housing units	336 – 348 Bergen Avenue
Bernius Court	11 single family homes	1 – 5 Bernius Court and 324 – 334 Bergen Avenue
Forrest Senior Apartments	New Construction of 43 affordable senior apartments	376 – 382 Bergen Avenue
Ocean Point	59 affordable senior housing units	Ocean Avenue between Dwight Street and Fulton Avenue
Monticello Avenue Streetscape	Lighting, sidewalks and street amenities	McQuinley Square to Montgomery Street to Communipaw Avenue
Monticello Avenue Block Front	Façade improvements	Brinkerhoff Avenue to Astor Place
MLK Drive Block Front	Façade improvements on the east and west sides of the streets	Martin Luther King Drive between Orient and Myrtle Avenues

**Projects in Planning**

<b>Proposed Project</b>	<b>Project Location</b>
Mixed income transit village to consist of approximately one hundred (100) units.	MLK Hub
Ten (10) unit new construction affordable rental housing project.	311 – 315 Martin Luther King Drive
Seven (7) unit new construction affordable rental housing project.	301 Martin Luther King Drive
New construction of a 120 unit mixed income housing project.	Monticello and Fairview Avenues
Ten (10) unit new construction affordable rental housing project.	239 – 241 Martin Luther King Drive

***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 of Jersey City will distribute NSP funds primarily to the very high risk area in the City and three (3) targeted high risk blocks. Areas were targeted based on:

- The number and percentage of home foreclosures
- The number and percentage of homes financed by subprime mortgages
- The number and percentage of homes in default or delinquency

Other risk factor criteria used by the City include the number of vacant and blighted properties and areas where households earn less than 120 percent of the Area Median Income. Additional criteria for targeted blocks include areas where more than 51% of area residents earn 80% or below the Area Median Income (AMI).

The city of Jersey City will undertake the following activities within the target areas:

- 1) Acquire and rehabilitate homes that have been foreclosed upon and sell properties to households earning up to 120% of AMI. Because Jersey City consists of primarily multi-family units, in most cases homes acquired by families earning up to 120% AMI will contain at least one (1) rental unit. At

least 10 rental units will be restricted to families at 50% of AMI or below. In addition, up to 15 rental units will be unrestricted. In cases where NSP funds are used to acquire properties that will serve as rental or special needs housing, all units will be reserved for individuals/families at 50% or below the AMI.

- 2) Demolish and/or secure vacant and blighted abandoned properties.
- 3) Administration

**Overall Strategy**

- Concentrate on stabilizing side streets off main corridors.
- Negotiate with lenders to assist prospective homebuyers to acquire foreclosed properties at a discount (at least 15%).
- Provide soft-second mortgages to fill affordability gaps. Mortgages will be provided for eligible owner-occupants who will maintain the property as affordable. As appropriate, rental units will be rented to families at 50% or below AMI.
- Determine the status of abandoned properties within the designated areas and develop a plan for rehabilitation or demolition of properties that are a nuisance in targeted neighborhoods.
- Contract with subrecipient(s) to acquire and rehabilitate properties to be sold to eligible families.
- Leverage NSP funds by piggybacking on the City’s First Time Homebuyer and Live Where You Work Programs for eligible families.
- Implement targeted Homeowner Rehabilitation Program (HORP) in very high risk and high risk areas.

<b>Distribution and Uses of Funds</b>	
Jersey City Allocation \$2,153,431	
I. Administration	\$153,431
II. Acquisition and Rehabilitation of foreclosed upon properties	\$1,500,000
III. Demolition – blighted and abandoned properties	\$500,000
<b>TOTAL</b>	<b>\$2,153,431</b>

**WARD F TARGETED NEIGHBORHOOD VIEWS**







**C. DEFINITIONS AND DESCRIPTIONS**

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

Response:

**Blighted:** a structure is considered blighted when it displays objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety and public welfare. Additional signs of blight may include buildings that possess major code violations and maintenance problems so as not to be fit for human habitation or fall into so great a state of disrepair as to be untenable.

**Abandoned:** a home is considered abandoned when mortgage or tax proceedings have been initiated, no mortgage or tax payments have been made by the owner for at least 90 days and the property has been vacant for at least 90 days.

(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:

**Affordable Rents:** The tenant may not pay more than the allowable federal HOME rent limits. Rental units reserved for families at 50% or below the AMI shall not be rented for more than the low HOME rent limit based on the number of bedrooms.

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

Response:

**Continued affordability for NSP assisted housing:** All projects assisted with NSP funds will be subject to the following affordability restrictions:

<b>Rental Housing NSP amount per-unit</b>	<b>Minimum period of affordability in years</b>
Rehabilitation or acquisition of existing housing Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15
New Construction	20

<b>Homeownership NSP amount per-unit</b>	<b>Minimum period of affordability in years</b>
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

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

Response:

**Housing Rehab Standards:** The NSP will minimally utilize HUD's Housing Quality Standards and the Uniform Construction Rehabilitation Subcode for rehabilitation activities.

***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: \$538,358.00.

*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 Jersey City will use a minimum of \$538,358.00 to acquire and rehabilitate foreclosed properties that will house families at 50% or below AMI in individual rental units or special needs housing.

***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.
- 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:

The City of Jersey City anticipates demolishing approximately 10 units in target areas.

#### ***F. PUBLIC COMMENT***

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

**Note:** proposed NSP Substantial Amendment must be published via the usual methods and posted on the jurisdiction's website for no less than 15 calendar days for public comment.

#### **Response:**

The City of Jersey City advertised a Notice of Substantial Amendment in the following newspapers:

- Jersey Journal
- Hudson Reporter
- El Especialito
- Urban Times

Also, the City will hold a public hearing at the Mary McLeod Bethune Life Center on November 18, 2008, located at 140 Martin Luther King Drive in Jersey City, New Jersey. The Mary McLeod Bethune Life Center is located in the most at risk NSP target area. The NSP Plan was made available on the City's website, [www.jerseycitynj.gov](http://www.jerseycitynj.gov), effective November 10, 2008.

The following is a summary of comments received during the comment period:

**An official transcript is attached in the addendum.**

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

(1) Activity Name: **Administration**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

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

(4) 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.

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

(6) 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).

(7) Total Budget: (Include public and private components)

**\$153,431.00**

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

**City of Jersey City  
Division of Community Development  
30 Montgomery Street  
Jersey City, New Jersey 07302  
(201) 547-5304  
Darice Toon, Director**

(9) Projected Start Date: **March 1, 2009**

(10) Projected End Date: **September 1, 2010**

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

For housing related activities, include:

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

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

(1) Activity Name: **Acquisition and Rehabilitation of Foreclosed Upon Properties**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

**Acquisition and rehabilitation of properties that have been foreclosed upon. Properties will be sold to households earning up to 120% of AMI. Housing must be owner occupied.**

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

**Benefit to low-moderate and middle income persons as defined by NSP Notice (120% or below area median income).**

(4) 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.

**Targeting an area that has concentrated very high risk loans, foreclosures and abandoned properties. Acquisition and rehab activity in these areas will assist in neighborhood stabilization. This activity will create rental and homeowner units for eligible families. This will assist households earning up to 120% of area median income. At least 25% of the funds will be used to meet the housing requirements of those below 50% of area median income.**

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

**Foreclosed properties in targeted areas of Wards A, B, & F.**

(6) 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).

**25 buildings  
50 households (units)**

(7) Total Budget: (Include public and private components)

**Available Funds for Acquisition, Resale and Rental Activities:  
\$1,500,000**

**Minimum Amount Available for housing benefiting families at 50% or below AMI: \$538,358.**

**Projected REO price for two (2) family property with minimal rehab: \$260,000**

**Projected REO price for two (2) family property with moderate rehab: \$195,000**

**Moderate rehab per unit: \$54,422**

**Minimal rehab per unit: \$13,363**

	<b>Minimal Rehab</b>	<b>Moderate Rehab</b>	<b>Total</b>
<b>Number of Buildings</b>	15	10	25
<b>Number of units</b>	30	20	50
<b>Acquisition</b>	\$3,900,000	\$1,950,000	\$5,850,000
<b>Rehabilitation</b>	400,891	1,088,432	1,489,323
<b>Soft Costs</b> (includes A/E, Rehab, Specialist, Legal, Marketing, Environment, Warranties, Taxes, etc.)	168,000	126,000	294,000
<b>Contingency</b>	223,445	158,222	381,667
<b>Financing</b>	223,444	158,221	381,665
<b>Developer Fee (5%)</b>	134,067	158,222	292,289
<b>TOTAL</b>	<b>\$5,049,847</b>	<b>\$3,639,097</b>	<b>\$8,668,944</b>
<b>Permanent Sources of Funding</b>			
<b>Sales Proceeds</b>	\$4,494,499	\$2,394,445	\$6,888,944
<b>Jersey City NSP</b>	555,348	944,652	1,500,000
<b>JC Golden Neighborhoods</b>		300,000	
<b>TOTAL SOURCES</b>	<b>\$5,049,847</b>	<b>\$3,639,097</b>	<b>\$8,668,944</b>

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

**City of Jersey City  
Division of Community Development  
30 Montgomery Street  
Jersey City, New Jersey 07302  
(201) 547-4793  
Rodney Hairston, Real Estate Officer**

- (9) Projected Start Date: **March 1, 2009**

- (10) Projected End Date: **September 1, 2010**

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate – **average of 15%**

For financing activities, include:

- range of interest rates – **5.5%-7.5%**

For housing related activities, include:

- duration or term of assistance; **see affordability chart (Definitions – Section C)**
- tenure of beneficiaries--rental or homeownership; **Both**
- a description of how the design of the activity will ensure continued affordability

**The city of Jersey City will contract with a qualified non-profit housing developer to acquire and rehabilitate foreclosed properties. All properties will be acquired at a discount totaling an aggregate of 15%. Families earning above 50% AMI to 120% of AMI will be targeted to acquire properties. Properties will be sold at a price that is not greater than the price to acquire and rehabilitate the property.**

**All properties must be owner occupied. At least ten (10) rental units will be occupied by families earning 50% or below the AMI. Affordability controls and restrictive covenants will be enforced by executing mortgages, notes, and deed restrictions. Controls on rental units will be further enforced by annual recertifications of tenants. Recapture provisions will be incorporated in loan documents.**

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

- (1) Activity Name: **Demolition of Blighted and Abandoned Structures**
- (2) Activity Type: (include NSP eligible use & CDBG eligible activity) **Demolition**
- (3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

**Benefiting low and moderate income persons up to 120% of area median income (AMI) as defined by NSP.**

- (4) 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.

**Targeting areas with very high risk loans, concentration of abandoned and/or foreclosed upon properties that are blighted. These structures can become a haven for criminal activities. The presence of these properties often impairs the development of a neighborhood and leads to the departure of businesses and residents.**

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

**Demolition of blighted structures in the targeted neighborhoods in Wards A, B & F.**

- (6) 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).

**10 Units**

- (7) Total Budget: (Include public and private components)

**\$500,000.00**

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

**City of Jersey City  
Division of Community Development  
30 Montgomery Street  
Jersey City, New Jersey 07302  
(201) 547-5086  
Michael Biondo, Management Specialist**

(9) Projected Start Date: **March 1, 2009**

(10) Projected End Date: **September 1, 2010**

(11) Specific Activity Requirements: **N/A**

For acquisition activities, include:

- discount rate

For financing activities, include: **N/A**

- range of interest rates

For housing related activities, include: **N/A**

- duration or term of assistance;
- tenure of beneficiaries--rental or homeownership;
- a description of how the design of the activity will ensure continued affordability  
**Upon demolishing blighted properties, the City will take action to acquire the property for affordable housing development or other eligible activities as appropriate.**

# 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.

(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.

\_\_\_\_\_  
Signature/Authorized Official

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

# 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): _____ Lead Agency Jurisdiction Web Address: <i>(URL where NSP Substantial Amendment materials are posted)</i>	NSP Contact Person: Address: Telephone: Fax: Email:
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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 \_\_\_\_.

**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 \_\_\_\_.

**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 \_\_\_\_.
  
- a definition of “affordable rents,”  
 Yes  No . Verification found on page \_\_\_\_.
  
- a description of how the grantee will ensure continued affordability for NSP assisted housing,  
 Yes  No . Verification found on page \_\_\_\_.

- a description of housing rehabilitation standards that will apply to NSP assisted activities?  
Yes  No . Verification found on page \_\_\_\_\_.

***D. 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 \_\_\_\_\_.
- 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 \_\_\_\_\_.  
Amount budgeted = \$ \_\_\_\_\_.

***E. ACQUISITIONS & RELOCATION***

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 \_\_\_\_\_.

If so, does the substantial amendment 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?  
Yes  No . Verification found on page \_\_\_\_\_.
- 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 \_\_\_\_\_.
- 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 \_\_\_\_\_.

***F. 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 \_\_\_\_\_.

Is there a summary of citizen comments included in the final amendment?  
Yes  No  Verification found on page \_\_\_\_\_.

**G. 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 \_\_\_\_.
- correlated eligible activity under CDBG,  
Yes  No . Verification found on page \_\_\_\_.
- the areas of greatest need addressed by the activity or activities,  
Yes  No . Verification found on page \_\_\_\_.
- expected benefit to income-qualified persons or households or areas,  
Yes  No . Verification found on page \_\_\_\_.
- 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 \_\_\_\_.
- appropriate performance measures for the activity,  
Yes  No . Verification found on page \_\_\_\_.
- amount of funds budgeted for the activity,  
Yes  No . Verification found on page \_\_\_\_.
- the name, location and contact information for the entity that will carry out the activity,  
Yes  No . Verification found on page \_\_\_\_.
- expected start and end dates of the activity?  
Yes  No . Verification found on page \_\_\_\_.
- If the activity includes acquisition of real property, the discount required for acquisition of foreclosed upon properties,  
Yes  No . Verification found on page \_\_\_\_.
- If the activity provides financing, the range of interest rates (if any),  
Yes  No . Verification found on page \_\_\_\_.
- If the activity provides housing, duration or term of assistance,  
Yes  No . Verification found on page \_\_\_\_.
- tenure of beneficiaries (e.g., rental or homeownership),  
Yes  No . Verification found on page \_\_\_\_.

- does it ensure continued affordability?  
Yes  No . Verification found on page \_\_\_\_\_.

**H. CERTIFICATIONS**

The following certifications are complete and accurate:

- |  |                              |                             |
|--|------------------------------|-----------------------------|
| (1) Affirmatively furthering fair housing                  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (2) Anti-lobbying  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (3) Authority of Jurisdiction                              | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (4) Consistency with Plan                                  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (5) Acquisition and relocation                             | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (6) Section 3  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (7) Citizen Participation                                  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (8) Following Plan   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (9) Use of funds in 18 months                              | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (10) Use NSP funds $\leq$ 120 of AMI                       | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (11) No recovery of capital costs thru special assessments | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (12) Excessive Force                                       | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (13) Compliance with anti-discrimination laws              | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (14) Compliance with lead-based paint procedures           | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (15) Compliance with laws                                  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |