

Neighborhood Stabilization Program
Application for Reservation of Funds
State of Georgia
Action Plan

<p>Jurisdiction(s): Whitfield County, Murray County, Pickens County, Gilmer County, and Fannin County</p> <p><i>(submitted by):</i> Dalton-Whitfield County Community Development Corporation (DWCDC)</p> <p>Jurisdiction Web Address:</p> <p>http://www.whitfieldcountyga.com/ http://www.whitfieldcountyga.com/planner/planning.htm</p>	<p>NSP Contact Persons: Gaile Jennings, Executive Director Dalton-Whitfield County Community Development Corporation (DWCDC)</p> <p>Address: P.O. Box 248 Dalton, GA 30722-0248</p> <p>Telephone: 706-876-1630</p> <p>Email: gjennings@whitfieldcountyga.com</p>
--	---

The State of Georgia will accept requests for reservation of funds under Title III of the Housing and Economic Recovery Act (HERA) Sec. 2301 Entitled “EMERGENCY ASSISTANCE FOR THE REDEVELOPMENT OF ABANDONED AND FORECLOSED HOMES”.

A. AREAS OF GREATEST NEED

Provide summary needs data identifying the geographic areas of greatest need in the applicant’s jurisdiction.

Note: The local jurisdiction must identify the area(s) of greatest need(s) and provide analysis of contributing factors that created the need described.

Response:

Methodology to Measure Areas of Greatest Need

(a) The North Georgia Counties of Whitfield, Fannin, Murray, Pickens, and Gilmer are applying for Direct Allocation assistance to assist areas of greatest need within LMMI areas and areas of foreclosure and abandonment risk as determined by DCA and HUD. In all of the five counties, Clerks of the respective Superior Courts provided location of foreclosed properties. GIS staff overlaid these properties on the DCA Foreclosure Threat Map and the DCA Low, Moderate, and Middle-Income Map (LMMH).

All approved activities will occur within these areas of greatest need within LMMI areas and areas of foreclosure and abandonment risk as determined by DCA. Large scale maps of these areas are included to show locations of these properties.

(c) The North Georgia Counties are requesting NSP funds to address the negative ramifications of the housing foreclosure crisis that occurred over the past five years due to subprime mortgage lending which resulted in significant numbers of homeowners entering into foreclosure and neighborhoods becoming vacant and abandoned. These counties have significant needs and housing problems due to the subprime lending crisis.

The level of foreclosures resulting from these problematic mortgages has placed an increased burden on the economy and affected families. These counties will use the NSP funds for the purposes intended – to promote neighborhood stabilization where subprime lending, foreclosure and housing vacancies and, in turn, abandoned and blighted properties have negatively affected the housing market.

(d) The Department of Labor area unemployment rates in the North Georgia Counties show an increase in unemployment from 5.2% in November 2007 to 9.4% in November 2008.¹ The carpet and flooring industry located in a 50 mile radius of Dalton, Georgia is home grown. Before lay-offs occurred locally they were done in other plants throughout the state. As you are aware, construction suffers significantly when the national economy is down. As 75% of the regional economy is the manufacturing of carpet and flooring related industries (tile, wood, backing, glue, tack strip, yarn, dyeing, carpet layers, rugs and on and on and on) when buildings aren't being built you don't need the aforementioned items. Large commercial orders and seasonal ordering from retail stores are always at least 6 – 9 months ahead of the curve. So when construction began to slow down it was awhile before impact. With so much of the economy related to the manufacturing, transportation, etc. of flooring products never mind outlet stores or places like Carpets of Dalton when we get hit, we get hit hard. Lay offs in the past couple of years have been slow but steady and companies have tried to lower hours first to keep everyone employed. Then they went to alternating weeks of employment so all employees were at least getting some money and now they are into big lay offs.

B. DISTRIBUTION AND USES OF FUNDS

Provide a narrative describing how the distribution and uses of the applicant'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 applicant as likely to face a significant rise in the rate of home foreclosures. *Note:* The applicant's narrative must address these three stipulated need categories in the NSP statute, but the applicant may also consider other need categories.

Response: As required in the instructions above, the North Georgia Counties reiterate that in using data provided by DCA via the DCA Foreclosure Threat Map and the DCA Low, Moderate, and Middle-Income Map (LMMH), the requirements of Section 2301(c)(2) of HERA will be satisfied. DCA has used a methodology that considers the percent and number of actual residential foreclosures, the percent and number of subprime mortgages used to purchase residential properties along with variables that consider residential vacancies and severe housing cost burdens for households with low- and moderate-incomes. The North Georgia Counties intend to use the methodology provided by DCA.

C. DEFINITIONS AND DESCRIPTIONS

¹ http://www.dol.state.ga.us/pdf/pr/lf_n-georgia.pdf

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

Note: For the purposes of the Georgia NSP the following definition shall apply: Pursuant to O.C.G.A. 22-1-1 "Blighted property," "blighted," or "blight" means any urbanized or developed property which: (A) Presents two or more of the following conditions: (i) Uninhabitable, unsafe, or abandoned structures; (ii) Inadequate provisions for ventilation, light, air, or sanitation; (iii) An imminent harm to life or other property caused by fire, flood, hurricane, tornado, earthquake, storm, or other natural catastrophe respecting which the Governor has declared a state of emergency under state law or has certified the need for disaster assistance under federal law; provided, however, this division shall not apply to property unless the relevant public agency has given notice in writing to the property owner regarding specific harm caused by the property and the owner has failed to take reasonable measures to remedy the harm; (iv) A site identified by the federal Environmental Protection Agency as a Superfund site pursuant to 42 U.S.C. Section 9601, et seq., or environmental contamination to an extent that requires remedial investigation or a feasibility study; (v) Repeated illegal activity on the individual property of which the property owner knew or should have known; or (vi) The maintenance of the property is below state, county, or municipal codes for at least one year after notice of the code violation; and (B) Is conducive to ill health, transmission of disease, infant mortality, or crime in the immediate proximity of the property.

Response:

For the purposes of the Whitfield, Murray, Gilmer, Pickens and Fannin County NSP the following definition shall apply:

Pursuant to O.C.G.A. 22-1-1 "Blighted property," "blighted," or "blight" means any urbanized or developed property which: (A) Presents two or more of the following conditions: (i) Uninhabitable, unsafe, or abandoned structures; (ii) Inadequate provisions for ventilation, light, air, or sanitation; (iii) An imminent harm to life or other property caused by fire, flood, hurricane, tornado, earthquake, storm, or other natural catastrophe respecting which the Governor has declared a state of emergency under state law or has certified the need for disaster assistance under federal law; provided, however, this division shall not apply to property unless the relevant public agency has given notice in writing to the property owner regarding specific harm caused by the property and the owner has failed to take reasonable measures to remedy the harm; (iv) A site identified by the federal Environmental Protection Agency as a Superfund site pursuant to 42 U.S.C. Section 9601, et seq., or environmental contamination to an extent that requires remedial investigation or a feasibility study; (v) Repeated illegal activity on the individual property of which the property owner knew or should have known; or (vi) The maintenance of the property is below state, county, or municipal codes for at least one year after notice of the code violation; and (B) Is conducive to ill health, transmission of disease, infant mortality, or crime in the immediate proximity of the property.

(2) Definition of “affordable rents.” Applicants 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.

Note: The State will require the NSP program recipients to follow the HUD regulations as set forth in 24 CFR 92.252.

Response:

The North Georgia Counties will follow the HUD regulations for “affordable rents” as set forth in 24 CFR 92.252. This definition is incorporated into the policies regarding affordable rents by the Dalton-Whitfield County Community Development Corporation (DWCDC).

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

Note: The State will require NSP projects to follow the affordability requirements for the HUD HOME program as set forth in 24 CFR 92.252 (2) (2) for rental housing and in 24 CFR 92.254 for homeownership housing, based on the amount of NSP funds provided for each project. All rental housing affordability restrictions will be imposed by deed restrictions. When there is more than one financing source (besides NSP) imposing land use restrictions on a project, the most restrictive requirements will apply to the project.

For homeownership projects, the DCA NSP program loan documents including a subordinate deed to secure debt, loan agreement and/or note will be used to enforce the required period of affordability.

In accordance with HERA, in the case of previously HOME-assisted properties for which affordability restrictions were terminated through foreclosure or deed in lieu of foreclosure, an NSP applicant will be required to reinstate the HOME affordability restrictions for the remaining period of HOME affordability or any more restrictive continuing period of affordability required by any other financing source participating in the NSP project.

Response:

The North Georgia Counties will follow the affordability requirements for the HUD HOME program as set forth in 24 CFR 92.252 (2) (2) for rental housing and in 24 CFR 92.254 for homeownership housing, based on the amount of NSP funds provided for each project. All rental housing affordability restrictions will be imposed by deed restrictions. When there is more than one financing source (besides NSP) imposing land use restrictions on a project, the most restrictive requirements will apply to the project.

For homeownership projects, the DCA NSP program loan documents including a subordinate deed to secure debt, loan agreement and/or note will be used to enforce the required period of affordability.

In accordance with HERA, in the case of previously HOME-assisted properties for which affordability restrictions were terminated through foreclosure or deed in lieu of foreclosure, the five jurisdictions will reinstate the HOME affordability restrictions for the remaining period of HOME affordability or any more restrictive continuing period of affordability required by any other financing source participating in the NSP project.

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

Note: At a MINIMUM, NSP rehabilitation activities must meet the following:

- a) Newly constructed or rehabilitation of single or multi-family residential structures being funded using NSP assistance must, at project completion, meet all applicable

regulations in accordance with Minimum Standard Georgia Building Codes (<http://www.dca.state.ga.us/development/constructioncodes/programs/codes2.asp>) as well as all locally adopted codes

b) All requirements of 24 CFR Part 35 as related to lead-based paint shall apply to NSP activities.

c) All single and/or multifamily residential structures must also meet all federal and state accessibility requirements including but not limited to those associated with the use of federal funds.

Response:

The North Georgia Counties will require that all rehabilitation activities meet the following at a minimum:

a) Newly constructed or rehabilitation of single or multi-family residential structures being funded using NSP assistance must, at project completion, meet all applicable regulations in accordance with Minimum Standard Georgia Building Codes (<http://www.dca.state.ga.us/development/constructioncodes/programs/codes2.asp>) as well as all locally adopted codes

b) All requirements of 24 CFR Part 35 as related to lead-based paint shall apply to NSP activities. The North Georgia Counties do not anticipate that lead-based paint will be an issue as the foreclosed properties are less than 10 years old and are standing vacant within neighborhoods that have been recently developed.

c) All single and/or multifamily residential structures must also meet all federal and state accessibility requirements including but not limited to those associated with the use of federal funds.

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: \$309,118.

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. The response must describe the methodology their project will use to ensure that **at least** 25% of NSP funds 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 percent of area median income

Response:

All applicants requesting NSP assistance in the North Georgia Counties will be referred to the Dalton-Whitfield County Community Development Corporation (DWCDC) to complete the application process. Both the DWCDC and the Grant Administrator will be responsible for tracking data on the number of applicants by income level. Funds of \$309,118 will be set aside to assist only applicants whose income does not exceed 50 percent of area median income. The DWCDC will also market the NSP program activities to individuals or families whose incomes do not exceed 50 percent of area median income. The current housing counseling agency activity report prepared by the DWCDC shows that the majority of clients have incomes less than 50% AMI.

E. ACQUISITIONS & RELOCATION

Indicate whether applicant 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 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 North Georgia Counties do not anticipate acquiring any occupied property. If this becomes a needed activity upon implementation of the NSP program, an amendment to add this activity will be submitted to DCA.

F. PUBLIC COMMENT

NEIGHBORHOOD STABILIZATION GRANT PROGRAM
MINUTES PICKENS COUNTY PUBLIC MEETING
JANUARY 8, 2009; 2:00 P.M.
PICKENS COUNTY ADMINISTRATIVE BUILDING

ATTENDEES:

Robert Jones, Pickens County Commissioner

Norman Pope, Pickens County Planning Director

STAFF:

Larry Vanden Bosch, NGRDC

Barnett Chitwood, NGRDC

Mr. Vanden Bosch convened the public hearing at approximately 2:08 p.m. in an effort to accommodate late arrivals. He then distributed a five (5) page handout regarding the subject program and proceeded with an explanation of the grant program, its purpose, its requirement, and highlights concerning the regional grant application that is in preparation. Dollar amounts proposed for each of the five (5) counties as part of the budget became the principal discussion item.

Mr. Jones, with affirmation from Mr. Pope expressed expressed that the proposal to allot \$10,000 per property in Pickens County was too low and may not be realistic to adequately cover down payment assistance, closing costs, and housing repair. He

suggested at least \$15,000 and perhaps \$20,000 per foreclosed property with the understanding that the increased amount would actually serve less properties based on the pro rata allocation of funds to each county. He affirmed that he was not confident that 23 separate properties, as proposed, could close in the 18-month time period required for grant implementation. Discussion on this matter continued with the NGRDC staff as Mr. Pope making similar comments.

The Pickens County representatives cited that some houses in Pickens County are held by banks and lack items like appliances, carpet, and maybe even interior paint that would put them in a suitable condition to sell.

With no other comments heard for or against the proposed application, the public meeting was adjourned at approximately 2:40 p.m.

BLUE RIDGE CITY HALL

ATTENDEES:

Stephanie Scarce, Fannin County Development Authority
Janice Bailey, Fannin County Commissioner
Bill Simonds, Chairman, Fannin County Board of Commissioners
Dub Joiner, Reporter, The News-Observer

STAFF:

Larry Vanden Bosch, NGRDC
Barnett Chitwood, NGRDC

Mr. Vanden Bosch convened the public hearing at approximately 2:07 p.m. in an effort to accommodate late arrivals. He then distributed a five (5) page handout regarding the subject program and proceeded with an explanation of the grant program, its purpose, its requirement, and highlights concerning the regional grant application that is in preparation. Dollar amounts proposed for each of the five (5) counties as part of the regional budget were identified and discussed. Mr. Vanden Bosch explained that a pro rata distribution of funds to Fannin County only resulted in about \$60,000 after acknowledging that Whitfield County was proposing a budget allocation of \$ 500,000 after taking on the obligation for 25 percent of the total grant amount available to the region to be spent in purchasing and redeveloping foreclosed homes for families or individuals whose incomes do not exceed 50 percent of area median incomes. Mr. Vanden Bosch cited that down payment assistance in Fannin County equal to \$10,000 per property might be the resultant impact.

Mr. Vanden Bosch also cited that the staff was still working with the Clerk of Superior Court and the Tax Assessors Office to identify not only the number of foreclosures in Fannin County but the location of the properties. He mentioned that the objective of the grant program is to concentrate efforts in areas where there is the greatest opportunity to reduce neighborhood blight.

With no other comments heard for or against the proposed application, the public meeting was adjourned at approximately 2:40 p.m.

NEIGHBORHOOD STABILIZATION GRANT PROGRAM
MINUTES GILMER COUNTY PUBLIC MEETING

JANUARY 8, 2009; 10:00 A. M.

JURY ASSEMBLY ROOM; GILMER COUNTY COURTHOUSE

ATTENDEES:

Jim Smith, Director, Gilmer County Community Development

Brian Jones, Gilmer County Zoning Administrator

STAFF:

Larry Vanden Bosch, NGRDC

Barnett Chitwood, NGRDC

Mr. Vanden Bosch convened the public hearing at approximately 10:08 a.m. in an effort to accommodate late arrivals. He then distributed a five (5) page handout regarding the subject program and proceeded with an explanation of the grant program, its purpose, its requirement, and highlights concerning the regional application that is in preparation. Dollar amounts proposed for each of the five (5) counties as part of the budget became the principal discussion item.

Mr. Jim Smith expressed that the proposal to allot \$10,000 per property in Gilmer County was too low and may not be realistic to adequately cover down payment assistance, closing costs, and housing repair. He suggested at least \$15,000 and perhaps \$20,000 per foreclosed property with the understanding that the increased amount would actually serve less properties based on the pro rata allocation of funds to each county. He affirmed that he was not confident that 29 separate properties, as proposed, could close in the 18-month time period required for grant implementation. Discussion on this matter continued with the NGRDC staff as Mr. Jones injected similar comments suggesting less homes to be served with the dollar amount raised per property.

With no other comments heard for or against the proposed application the public meeting was adjourned at approximately 10:55 p.m.

NEIGHBORHOOD STABILIZATION GRANT PROGRAM
MINUTES MURRAY COUNTY PUBLIC MEETING

JANUARY 7, 2009; 10:30 A.M.

MURRAY COUNTY ADMINISTRATIVE ANNEX

ATTENDEES:

Belle Anne Butler, DWCDC

Tom Starnes, County Manager, Murray County

Dick Barnes, Murray County Land Use

Gaile Jennings, DWCDC

STAFF:

Larry Vanden Bosch, NGRDC

Barnett Chitwood, NGRDC

Mr. Vanden Bosch convened the public hearing at approximately 10:45 a.m. in an effort to accommodate late arrivals. He then distributed a five (5) page handout regarding the subject program and proceeded with an explanation of the grant program, its purpose, its requirement, and highlights concerning the regional grant application that is in preparation. Dollar amounts proposed for each of the five (5) counties as part of the budget became the principal discussion item and particular discussion occurred regarding the Murray County allocation and acknowledgement that down payment assistance programs were already available here. Maps showing known foreclosures and their approximate location in Murray County were also reviewed.

Discussion centered around the proposed budget wherein Whitfield County, proposing a budget allocation of \$ 500,000 was taking on the obligation for 25 percent of the total grant amount available to the region to be spent in purchasing and redeveloping foreclosed homes for families or individuals whose incomes do not exceed 50 percent of area median incomes. Ms. Jennings expressed the desire to pursue \$100,000 to \$150,000 for Murray County. Discussion affirmed, however, that such allocation might not be immediately available under the direct grant program if Pickens, Gilmer, and Fannin County desire their pro rata allocations.

Note: The applicant must agree to the following:

As required by the Housing and Community Development Act, the Georgia Department of Community Affairs has adopted a written Citizen Participation Plan, available on the DCA website at <http://www.dca.state.ga.us/communities/CDBG/programs/downloads/CDBGForms/CitizenParticipationPlan.pdf>.

Applicants for and recipients of CDBG/NSP funds certify that they will follow this plan that requires that local units of government will provide for and encourage participation in the planning, implementation and assessment of their CDBG/NSP program.

In order to meet these goals, applicants must, at a minimum, meet the following requirements.

1. Hold at least one (1) public hearing in the locality prior to submission of an application to DCA. The purpose of the hearing will be to obtain citizens' views and input in the development of their Neighborhood Stabilization Program (NSP) application. The applicant must furnish information including the estimated amount of funds proposed to be used for each NSP activity.

Note: For joint or regional applications, separate public hearings for each jurisdiction are required. A single public hearing, however, may serve the needs of each jurisdiction, provided that (a) each jurisdiction shares a central location and (b) the hearing is clearly publicized to residents of all applicable jurisdictions. If a single hearing is proposed, please contact DCA for guidance.

2. Notification of the public hearing must be published not less than five (5) calendar days prior to the date of the hearing in the non-legal section of a local newspaper of general circulation or on the jurisdiction's web page.
3. Hearings must be held at times and locations convenient to potential or actual beneficiaries and with accommodations for the disabled. The needs of non-English speaking residents must be met for public hearings where a significant number of non-English speaking residents can be reasonably expected to participate. Contact DCA for any required assistance.
4. Applicant files must contain documentary evidence that the actions listed herein have been taken, including copies of actual notices and minutes of hearings.
5. Citizens must be provided with reasonable and timely access to local meetings, information and records relating to the local government's proposed and actual use of CDBG/NSP funds as required by HUD regulations, state law, or DCA policy.
6. This section should not be construed to restrict the responsibility or authority of the local government for the development and execution of its community development program.
7. The applicant must certify in the Certified Assurances component of the application that the requirements above have been met.

Response:

The North Georgia Counties will certify that they will follow this plan that requires that local units of government will provide for and encourage participation in the planning, implementation and assessment of their CDBG/NSP program.

To meet these goals, North Georgia County governments will, at a minimum, meet the following requirements.

8. Hold at least one (1) public hearing in the locality prior to submission of an application to DCA. The purpose of the hearing will be to obtain citizens' views and input in the development of their Neighborhood Stabilization Program (NSP) application. The applicant must furnish information including the estimated amount of funds proposed to be used for each NSP activity.

Public hearings were held as follows:

- Murray County: Wednesday, January 7, 2009; 10:30 a.m.; Courthouse Annex; Chatsworth Georgia [notice appeared Wednesday, December 31, 2008; The Chatsworth Times]
- Fannin County: Wednesday, January 7, 2009; 2:00 p.m.; Blue Ridge City Hall, Blue Ridge, Georgia [notice appeared Tuesday, December 30, 2008; The News Observer]

- Gilmer County: Thursday, January 8, 2009; 10:00 a.m.; Jury Assembly Room, Gilmer County Courthouse, Ellijay, Georgia [notice appeared Thursday, January 1, 2009]
 - Pickens County: Thursday, January 8, 2009; 2:00 p.m.; Commissioner’s Meeting Room, Pickens County Administrative Office, Jasper, Georgia [notice appeared Thursday, January 1, 2009]
 - Whitfield County: Whitfield County Judicial Building, Annex 2, 214 W. King Street, Courtroom A, Monday, January 5th, 2009 at 6:30 p.m., and at the Whitfield County Courthouse, 205 N Selvidge Street Lower Atrium, January 8th, 2009 from 3:00 P.M. to 6:00 P.M..
9. Notification of the public hearing must be published not less than five (5) calendar days prior to the date of the hearing in the non-legal section of a local newspaper of general circulation or on the jurisdiction’s web page.
 10. Hearings must be held at times and locations convenient to potential or actual beneficiaries and with accommodations for the disabled. The needs of non-English speaking residents must be met for public hearings where a significant number of non-English speaking residents can be reasonably expected to participate. Contact DCA for any required assistance.
 11. Applicant files must contain documentary evidence that the actions listed herein have been taken, including copies of actual notices and minutes of hearings.
 12. Citizens must be provided with reasonable and timely access to local meetings, information and records relating to the local government's proposed and actual use of CDBG/NSP funds as required by HUD regulations, state law, or DCA policy.
 13. This section should not be construed to restrict the responsibility or authority of the local government for the development and execution of its community development program.
 14. The applicant must certify in the Certified Assurances component of the application that the requirements above have been met.

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

(1) Activity Name: Activity 1

Acquisition/Disposition

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

Eligible NSP Use: NSP (B), (C), (E)

(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).

Low-Moderate-and Middle Income Area Benefit (LMMA)

Low-Moderate-and Middle Income Direct Housing Benefit (LMMH)

(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.

The acquisition/disposition activity will address the large inventories of foreclosed properties held by banks and other entities in Whitfield County. Acquisitions will be done by the Dalton-Whitfield County Land Bank Authority.

Because acquisition/disposition activities are the first step in neighborhood stabilization, benefit to income-qualified persons will be indirect at this phase of the process.

The North Georgia Counties will require that a portion of all activities be used to benefit those at less than 50 percent of AMI. The financing mechanisms described at Activity 8 would be used in combination with acquired properties under this activity to provide housing benefits directly to those at 50 percent or less of AMI through lease-purchase arrangements.

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

The acquisition activities will take place in the City of Dalton and Whitfield County's areas with the highest need. These targeted areas are identified on the map included with this application.

(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).

Number of housing units to be acquired:	3 (total)
50% AMI or below	3
51% to 80% of AMI	
80% to 120% of AMI	

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

\$401,590

Method: Total budget was established by adding all the units (3) that can be acquired and redeveloped by Whitfield County's 2006 median house price (\$91,800) discounted by 15% (\$78,030). This equals a total need of \$234,090.

A piece of property with a blighted structure located within the City of Dalton will also be purchased at a cost of \$75,000. Property appraisal fees, housing maintenance fees, housing owner insurance, and Legal fees associated with title searches, closing costs, and

preparing lease purchase agreements have been estimated at \$85,000. A project delivery fee of \$2,500 per unit completed, $3 * 2,500 = \$7,500$.

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

Gaile R. Jennings, Executive Director
Dalton-Whitfield Community Development Corporation
P. O. Box 248
301 W. Crawford Street
Dalton, GA 30722-0248

706-876-1630
706-876-1440 fax

(9) Projected Start Date:
March 1, 2009

(10) Projected End Date:
February 28, 2013

(11) Specific Activity Requirements:
For acquisition activities, include:

- discount rate

The discount rate for the acquisition of abandoned or foreclosed properties will be 15 percent.

For financing activities, include:
range of interest rates

For housing related activities, include:

- duration or term of assistance; Lease Purchase Agreements are expected to average 5 - 10 years
- tenure of beneficiaries--rental or homeownership;
- a description of how the design of the activity will ensure continued affordability – Lease Purchase Agreements are expected to average 5 – 10 years;

Lease Purchase Income - \$500/house (30% of net income for monthly rental and [utility costs to be paid by lessee])

Escrow (50% of monthly payment to be used for future downpayment & closing costs) \$250

Purchase Capital (acquisition of new properties & legal fees) \$250

(1) Activity Name: Activity 2
Clearance

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

(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).

Low-Moderate-and Middle Income Area Benefit (LMAA)

(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.

The clearance activity is directed toward vacant, dilapidated structures that, especially in concentrated areas and in combination with abandoned and foreclosed properties, cause significant neighborhood destabilization. The activity will benefit income-qualified people on an area basis. The activity will take place in LMMI areas as defined by the geographic boundaries at the following web site:

http://www.dca.state.ga.us/communities/CDBG/programs/downloads/NSP_LMMH_Map.pdf. It is possible that clearance activities will be a prelude to direct benefit to those below 50% of AMI by building a new residential structure on newly cleared property.

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

Morningside – The City of Dalton has chosen this neighborhood for both property purchase (activity 1), clearance (activity 2) and 1 lease purchase home (activity 1). It surrounds their original recreational building, they have already spent money on a nearby park, will be spending lots of money on new ball fields and plans to totally renovate the main recreational building.

(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).

Number of housing units to be cleared:	1
50% AMI and below:	1

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

\$15,000

This figure was determined by the estimated cost of materials to demolish and remove the existing blighted structure. The City of Dalton will provide the labor.

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

Gaile R. Jennings, Executive Director
Dalton-Whitfield Community Development Corporation
P. O. Box 248
301 W. Crawford Street

Dalton, GA 30722-0248

706-876-1630

706-876-1440 fax

(9) Projected Start Date:

March 1, 2009

(10) Projected End Date:

February 28, 2013

(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

The need for affordable housing is evident in the Whitfield County – City of Dalton Comprehensive Land Use Plan. The intent is for this property to be sold to Habitat for Humanity or a private developer that will build an affordable house following strict design guidelines within this neighborhood.

(1) Activity Name: Activity 3

Rehabilitation

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

Eligible NSP Use: NSP (B) (E)

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

Low-Moderate-and Middle Income Direct Housing Benefit (LMMH)

Low-Moderate-and Middle Income Area Benefit (LMMA)

(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.

The rehabilitation activity is directed toward substandard structures that, especially in concentrated areas and in combination with abandoned and foreclosed properties, cause significant neighborhood destabilization. The activity will benefit income-qualified people on a direct basis and on an area basis. The activity will most often take place in LMMI areas as defined by the geographic boundaries described in Activity 2, and the

activity must benefit LMMI people when the units that have been rehabilitated are occupied. Even though rehabilitation may be an interim strategy, i.e., preparing property for eventual resale or rental, the ultimate use of the property must be income-qualified individuals.

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

Murray County (in combination with an existing Murray County CHIP down payment assistance program), Whitfield County (in combination with Activity 1), and Gilmer, Pickens and Fannin (in combination with Activity 5)

(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).

Number of housing units to be rehabilitated:	44
50% AMI and below:	10
51% to 80% of AMI:	20
81% to 120% of AMI:	14

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

\$340,750

Method: Total need was established by adding the average rehabilitation cost of \$15,750 per housing unit in (5) Murray County. In Whitfield County, the estimated amount of funds needed for housing rehab is \$55,000 (3 housing units). Fannin, Gilmer and Pickens are requesting \$5,750 for housing completion (36). The foreclosed homes in these counties appear to be recently constructed and lack being complete due to the need for carpet installation, painting, etc. These funds will be used to complete the house. The housing units were constructed after January 1, 1978 eliminating the need for lead based paint testing and/or abatement.

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

Gaile R. Jennings, Executive Director
Dalton-Whitfield Community Development Corporation
P. O. Box 248
301 W. Crawford Street
Dalton, GA 30722-0248

706-876-1630
706-876-1440 fax

(9) Projected Start Date:

March 1, 2009

(10) Projected End Date:

February 28, 2013

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate n/a

For financing activities, include:

- range of interest rates n/a

For housing related activities, include:

- duration or term of assistance;
- tenure of beneficiaries--rental or homeownership – homeownership will continue as the beneficiaries will be required to occupy their property for the affordability period and this will bring the property to safe and standard living conditions;
- a description of how the design of the activity will ensure continued affordability

n/a

(1) Activity Name: Activity 4

Public Services for Housing Counseling

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

Eligible NSP Use: NSP (A), (B), (E)

(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).

Low-Moderate-and Middle Income Direct Housing Benefit (LMMH)

(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.

Housing counseling will be used and will be provided by the DWCDC, a HUD certified housing counseling agency.

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

All of the participation North Georgia Counties, including Whitfield, Dalton, Murray, Gilmer and Fannin for individuals purchasing or lease-purchasing foreclosed housing units with NSP assistance

(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).

Total Individuals/Families to receiving housing counseling:	39*
Total 50% AMI or below:	10
Total 51% to 80% of AMI:	15
Total 80% to 120% of AMI:	14

*Note that the 5 families / individuals proposed for Murray County rehabilitation activity will receiving housing counseling services through the Murray County CHIP program.

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

\$8,944

The total budget was determined by the fee the DWCDC will charge for providing Housing Counseling Services to the individuals that will lease-purchase homes in Whitfield County (activity 1), and the individuals who will purchase homes in the 3 North Georgia Counties of Gilmer, Fannin and Pickens (Activity 5).

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

Gaile R. Jennings, Executive Director
Dalton-Whitfield Community Development Corporation
P. O. Box 248
301 W. Crawford Street
Dalton, GA 30722-0248

706-876-1630
706-876-1440 fax

(9) Projected Start Date:

March 1, 2009

(10) Projected End Date:

February 28, 2013

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate n/a

For financing activities, include:

- range of interest rates n/a

For housing related activities, include:

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

Housing Counseling Services will ensure that low to moderate to middle income homeowners will have the ability to maintain their home, adhere to a household budget and understand the responsibilities of homeownership.

(1) Activity Name: Activity 5

Financing Mechanisms

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

Eligible NSP Use: NSP (A)

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

Low-Moderate-and Middle Income Direct Housing Benefit (LMMH)

Low-Moderate-and Middle Income Area Benefit (LMMA)

Low-Moderate-and Middle Income Limited Clientele Benefit (LMMC)

Low-Moderate-and Middle Income Job Benefit (LMMJ)

(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.

The North Georgia Counties of Pickens, Fannin and Gilmer will use this activity to provide down payment assistance in the amount of \$10,000 per family. Individuals will purchase foreclosed homes using down payment assistance combined with a USDA first mortgage.

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

See target area maps that indicate location of foreclosed homes overlayed with the DCA maps of areas of greatest need and low to moderate to middle income areas. The down payment assistance will be in the counties of Fannin, Pickens and Gilmer.

(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).

Total Housing Units:	36
50% AMI and below:	7
51% to 80% AMI:	15
80% to 120% AMI:	14

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

\$396,000

The total budget was determined by allocating \$10,000 in down payment assistance to 36 individuals / families with a \$1,000 project delivery fee per unit completed.

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

Gaile R. Jennings, Executive Director
Dalton-Whitfield Community Development Corporation
P. O. Box 248
301 W. Crawford Street
Dalton, GA 30722-0248

706-876-1630

706-876-1440 fax

(9) Projected Start Date:

March 1, 2009

(10) Projected End Date:

February 28, 2013

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate n/a

For financing activities, include:

- range of interest rates USDA loans are available in all three (3) of these counties at a very low interest rate

For housing related activities, include:

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

All mortgages will be a traditional, fixed rate mortgage

**Georgia Department of Community Affairs
NSP Program
Budget Analysis**

(B)	Acquisition/H-001-00	Purchase 3 residential properties for an avg of \$78,030 each & one parcel w/ a blighted structure at \$75,000	\$401,590			\$401,590
(D)	Clearance/H-004-00	Demolish 1 dilapidated structure in the target area at the cost of \$15,000 per unit	\$15,000	\$5,000	City of Dalton in-kind labor	\$20,000
(B)	Housing Rehabilitation/H-14A-01	Rehabilitate 5 residential properties @ \$15,750 each, 3 @ \$18,333 each, 36 @ \$5,750	\$340,750			\$340,750
(B)	H-005-02	Counseling Services for 39	\$8,944 flat fee			\$8,944
(A)	Down payment Assistance/H-013-00	36 homebuyers assisted at \$10,000 a unit, project delivery fee of \$1,000 per unit	\$396,000	\$3,600,000	USDA	\$3,996,000
8 Subtotal			<u>\$1,236,472</u>	<u>\$3,605,000</u>		<u>\$3,605,000</u>
9 Grand Total (if final page)		\$ _____	<u>\$1,236,472</u>	<u>\$3,605,000</u>		<u>\$3,605,000</u>

Check here if continued on additional pages: _____
DCA NSP Form

Page 1 of 1