

THE NSP 3 SUBSTANTIAL AMENDMENT

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A. NARRATIVE OF WAYNE COUNTY'S NSP3 PROGRAM

Wayne County has experienced unique difficulties in stabilizing the residential market over the past few years. This difficulty is due to several factors. Michigan has been experiencing the highest jobless rate among states over the past few years, based on data from the state labor department. Unemployment increases the risk of residential foreclosure and is directly related to commercial foreclosures when consumers tighten their spending. Commercial lending also declined significantly in 2010 making it difficult to finance projects

In 2009, according to the Detroit Free Press, Michigan ranked 8th nationwide with 2.6 percent of housing units receiving at least one foreclosure filing in 2009, according to data released by RealtyTrac. States with the highest percentage of foreclosure filings in 2009 included Nevada (10.2%), Arizona (6.1%) and Florida (5.9%). The U.S. rate in 2009 was 2.2%. Among Michigan counties, the top three foreclosure rates in 2009 included Wayne (3.9%), Macomb (3.8%) and Lapeer (3.4%).

Although data for 2010 is incomplete at this time, first quarter data indicates that Michigan is not recovering at the national rate. Michigan saw a jump in foreclosure activity of 8.3 percent from March to April of 2010, which was a stark contrast to the nationwide decline of 9.05 percent. Michigan filings also marked a stunning 77-percent spike from April last year.

The presence of blight is also disproportionate in Wayne County compared to other areas and is hindering Wayne County's ability to recover. The City of Detroit estimates that over 33,000 abandoned residential homes exist within the city limits. Redevelopment of these properties is particularly difficult, as a majority of them are privately owned. The significant presence of blight in the City of Detroit creates major instability in the residential market. As one home is rehabilitated, two nearby houses become abandoned and blighted, eliminating the value of the investment.

Through NSP 1, Wayne County has currently demolished 453 blighted buildings, 451 of which were located in the City of Detroit. The work was completed through a unique strategic partnership with the City of Detroit which allowed for expedited permitting, utility clearance and water shut off. This project, entitled the "Urban Demolition

Program,” received significant positive press and our successful partnership with the City of Detroit has been a model for additional redevelopment efforts throughout the City.

Based on the overwhelming presence of blight in Wayne County and its success with the Urban Demolition Program, **Wayne County requests a waiver from HUD on the required 10% cap for demolition activities.** The cap should be raised to 30% to represent the market needs of this area.

Through NSP 1, Wayne County has realized the need for a different approach to housing rehabilitation. Through our HOME program, Wayne County has provided down payment assistance to hundreds of low income families over the past several years. In the past two years, Wayne County has received a significant increase in the number of foreclosure notices on homes that had received down payment assistance through the HOME program. It is apparent that the families may not be adequately prepared for homeownership. Through NSP 1, Wayne County established a program for a 24 month lease-to own residential product. Long-term homeownership counseling was made available through the HOME program to compliment the project, along with substantial home buyer assistance. The increased services, which include quarterly credit counseling, credit repair, and additional benefits, will help reduce the risk of mortgage foreclosures.

For NSP 3, Wayne County will establish even stronger partnerships to facilitate housing rehabilitation projects. For each housing project, a private for-profit or non-profit Developer and a non-profit organization will be identified. The non-profit agency will be charged with identifying low-income families who are eligible for the program. The low income families will have the option of purchasing the units or entering into a 24 month lease-to-own agreement. Each family will have an individualized plan for home ownership that may include a variety of services from 8-hour counseling to quarterly counseling and credit repair.

In addition, Wayne County has determined the need for niche market transitional housing and quality housing for senior citizens with supportive services. Several projects have been identified throughout Wayne County that may include rehabilitation or new construction of transitional or senior housing complimented by directed supportive services. These projects represent a trend in housing that is supported by HUD, and various public service agencies who understand that sensitive populations will achieve greater success toward independence if their living situations are complimented with supportive services.

AREAS OF GREATEST NEED (“TARGET AREAS”)

Wayne County has identified specific Target Areas for NSP 3 based on the goals and objectives of the program, as discussed above. The goals and objectives are summarized as the following:

1. To focus housing efforts on sensitive populations such as veterans, victims of domestic violence, and seniors by providing a transitional or multi-family housing product that includes resources such as job placement, counseling or other supportive services;
2. To provide a more targeted, supportive approach to single family housing rehabilitation that will significantly reduce the risk of mortgage foreclosure through partnerships with local non-profit agencies; and
3. To surgically eliminate blight in an effort to stabilize the investment made in NSP 1 and new investment through NSP 3 in furtherance of one of the above mentioned goals.

NSP 3 Target Areas have been specifically chosen in an effort to strengthen the investment made through NSP 1, and based on strategic local partnerships that will ensure success. Each Target Area meets the statutory requirements set forth through Section 2301(c)(2) of HERA, which requires 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 sub prime mortgage related loan, and identified by a grantee as likely to face a significant rise in the rate of home foreclosures.

Evidence of compliance with Section 2301 (c)(2) of HERA is documented below for each Target Area, and supported by the attachments created through the www.hud.gov/nsp mapping tool.

TARGET AREA 1 - DEARBORN/DEARBORN HEIGHTS/WEST DETROIT

Boundaries: See attached Map 1. The Area includes portions of Dearborn, Dearborn Heights and West Detroit.

Foreclosure Data: Attachment A (Foreclosure Statistics for Target Area 1)

Description of Target Area Investment: Through NSP1, Wayne County made a significant investment in Dearborn Heights by constructing a recreation center near the Detroit border. This center will serve thousands of Detroit residents as well as residents of outer Wayne County. The residential areas surrounding this location are listed as having HUD foreclosure risk scores of nine and ten. West Detroit is particularly riddled with blight. The City of Detroit has chosen the Brightmoor neighborhood in west Detroit for a concentrated demolition effort. Wayne County's NSP 3 award will further catalyze those efforts.

TARGET AREA 2 – EAST DETROIT

Boundaries: See Attached Map 2. The Area includes a majority of the City of Detroit, East of Woodward Avenue.

Foreclosure Data: Attachment B (Foreclosure Statistics for Target Area 2)

Description of Target Area Investment: Blight elimination is an integral part of Detroit's stabilization strategy. The stability of Detroit's neighborhoods is a critical component of the mortgage foreclosure prevention efforts of Wayne County. East Detroit is an area targeted by the City of Detroit for re-densification. Through NSP 1, a significant number of demolitions were performed in East Detroit through Wayne County's Urban Demolition Program. Therefore, a portion of Wayne County's NSP 3 allocation will be targeted in East Detroit for new construction of transitional housing and single family housing rehabilitation.

TARGET AREA 3 - DOWNRIVER

Boundaries: See Attached Map 3. The Area includes portions of the cities of Ecorse, River Rouge, Taylor and Southgate.

Foreclosure Data: Attachment C (Foreclosure Statistics for Target Area 3)

Description of Target Area Investment: Through NSP 1, Wayne County awarded several hundred thousand dollars to efforts Downriver to revitalize neighborhoods in Ecorse and River Rouge. The awards were not realized, however, due to financial difficulties at the local level. Several Wayne County communities faced difficulties expending their NSP 1 awards due to the reimbursement nature of the funds. Wayne County intends to develop a more creative structure for NSP 3 that will not require the communities to expend funds, but will still allow them to realize the benefit of the program. Also, Wayne County invested several thousand dollars to eliminate blight in certain Western Wayne County communities through NSP 1. NSP 3 will be used to further strengthen those investments and catalyze future development.

TARGET AREA 4- WESTERN WAYNE COUNTY

Boundaries: See Attached Map 4. The Area includes large portions of the cities of Garden City, Westland and Wayne.

Foreclosure Data: Attachment D (Foreclosure Statistics for Target Area 3)

Description of Target Area Investment Target Area Four includes several Western Wayne County communities. These local governments have demonstrated a thorough understanding of the Neighborhood Stabilization Program through NSP 1 and have successfully completed housing projects. NSP3 will be used to continue efforts begun under NSP1 and to provide niche market residential options that are not currently available in the local market.

PROJECTS IN NON-PARTICIPATING JURISDICTIONS

Wayne County is committed to supporting eligible projects in all Areas of Greatest need within its borders. As such, the County intends to approve a number of NSP projects within Non-Participating Jurisdictions. . The County will demonstrate compliance with Section 570.309 of CDBG regulations, demonstrating the following for each project:

1. That the activity is necessary to further the purposes of the Housing and Community Development Act of 1974; and
2. That reasonable benefits will accrue to residents within Wayne County's jurisdiction.

DEFINITIONS AND DESCRIPTIONS

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

For the purpose of the County's NSP 3 plan, blighted structure will be defined according to the Blighted Area Rehabilitation Act 344 of 1945. In particular blighted property means property that meets any of the following criteria:

- 1) The property has been declared a public nuisance in accordance with a local housing, building, plumbing, fire, or other related code or ordinance.
- 2) The property is an attractive nuisance because of physical condition or use.
- 3) The property is a fire hazard or is otherwise dangerous to the safety of persons or property.
- 4) The property has had the utilities, plumbing, heating, or sewerage disconnected, destroyed, removed, or rendered ineffective for a period of 1 year or more so that the property is unfit for its intended use.
- 5) The property is tax reverted property owned by a municipality, by a county, or by this state. The sale, lease, or transfer of tax reverted property by a municipality, a county, or this state shall not result in the loss to the property of eligibility for any project authorized under this act for the rehabilitation of a blighted area, platting authorized under this act, or tax relief or assistance, including financial assistance, authorized under this act or any other act.
- 6) The property is owned or is under the control of a land bank fast track authority under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774. The sale, lease, or transfer of the property by a land bank fast track authority shall not result in the loss to the property of eligibility for any project authorized under this act for the rehabilitation of a blighted area, platting authorized under this act, or tax relief or assistance, including financial assistance, authorized under this act or any other act.
- 7) The property is improved real property that has remained vacant for 5 consecutive years and that is not maintained in accordance with applicable local housing or property maintenance codes or ordinances.
- 8) The property has code violations posing a severe and immediate health or safety threat and has not been substantially rehabilitated within 1 year after the receipt of notice to rehabilitate from the appropriate code enforcement agency or final determination of any appeal, whichever is later.

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

Wayne County will comply with HUD’s suggested minimum HOME affordability requirements and property standards.

(3) *Describe how the grantee will ensure continued affordability for NSP3 assisted housing.*

Wayne County will comply with HUD’s suggested minimum HOME affordability requirements and property standards as it does with current HOME-funded projects. Moreover, homebuying assistance will occur at a relative level such that no more than 30 percent of an occupant’s monthly income will go toward housing expenses. The homes will be inspected and improved so that no major unforeseen repair would occur for the new occupant within the coming five to 10 year period. Furthermore, Energy Star improvements will be prioritized to further ensure long term affordability. Rental situations will meet the same affordability requirement under HOME.

(4) *Describe housing rehabilitation standards that will apply to NSP 3 assisted activities.*

Wayne County will require the following minimum rehabilitation codes and standards for all housing projects conducted under NSP 3:

1. HUD’s minimum HOME (HQS) property standards;
2. All gut rehabilitation (*i.e.*, general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls) or new construction of residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes;
3. All gut rehabilitation or new construction of mid -or high-rise multifamily housing must be designed to meet American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Standard 90.1–2004, Appendix G plus 20 percent (which is the Energy Star standard for multifamily buildings piloted by the Environmental Protection Agency and the Department of Energy).
4. Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, *e.g.*, replace older obsolete products and appliances (such as windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units, refrigerators, clothes washers and dishwashers) with Energy Star-labeled products. Water efficient toilets, showers, and faucets, such as those with the WaterSense label, must be installed. Where relevant, the housing should be improved to mitigate the impact of disasters (*e.g.*, earthquake, hurricane, flooding, fires).; and
5. All local and state rehabilitation codes.

All NSP 3 regulations and guidelines will be shared with developers and subrecipients through the “Wayne County NSP3 Handbook for Subrecipients and Developers,” which will be modeled after our NSP Handbook.

B. INFORMATION BY ACTIVITY

Wayne County has been awarded **\$7,839,293.00** in NSP funds. Our NSP 3 Program will only include Eligible Uses B, D and E as indicated in the summary below.

<i>ACTIVITY</i>	<i>AMOUNT</i>	<i>UNITS</i>	<i>TARGET AREAS</i>	<i>% OF TOTAL</i>
Eligible Use B – Purchase and Rehabilitation of Homes and Residential Properties that have been abandoned or foreclosed for families below 50% Area Median Income (AMI)	\$1,959,823.25	It is estimated that one to two multi-family projects will be completed through this activity and ten single family homes.	1, 3, 4	25%
Eligible Use D – Demolition of Blighted Structures	\$2,351,787.90	It is estimated that 235 residential units (or less if commercial units are included) will be completed through this activity.	1, 2	30%
Eligible Use E – Redevelopment of Vacant Structures for Housing for Families below 120% Area Media Income (AMI).	\$2,743,752.55	It is estimated that two to three multi-family projects will be completed through this activity.	1, 3, 4	35%
Administration	\$783,929.30			10%
TOTAL	\$7,839,293.00			100%

ELIGIBLE USE B – PURCHASE AND REHABILITATION OF ABANDONED OR FORECLOSED HOMES OR RESIDENTIAL PROPERTIES

It is estimated that approximately 25% of the NSP 3 funds awarded to Wayne County will be dedicated to Eligible Use B. All recipients for housing units under Eligible Use B will be Low-Income, per the set-aside requirements. All eligible Use B funds will be sub-awarded to developers or subrecipients to carry out eligible activities.

Homebuyer Assistance for NSP 3 will be included within the development or subrecipient agreements with each recipient. The non-profit agency partnered with each project will be responsible for designing an Individual Family Plan, which may include credit repair, mortgage facilitation, and intense home ownership counseling, on a case-

by-case basis, to prepare potential homebuyers for homeownership. When the homeowner is ready to close, a significant down payment assistance grant will be available.

The Homebuyer Assistance providers will communicate through a web-based database coordinated by Wayne County. This database will include a listing of all single family properties that are currently being rehabilitated through the Wayne County NSP program. As addresses are identified by our developers, photos of the houses with neighborhood information will be loaded into the database. Clients can enter the Network after they have chosen a house, or they may enter the network first and then choose from the database. Post closure counseling will also be a critical component of the program to ensure sustainability.

This system represents a more holistic approach to homebuyer counseling, and the end result will be a pool of homebuyers below 50% AMI that would not have been ready for homeownership otherwise. Therefore, the intended beneficiaries of this Eligible Activity are families below 50% AMI. The performance measure will be residential units. The National Objective will be LMMH.

A Lease to Own Program has also being created that will be an alternate in the event that a suitable homeownership option cannot be identified for participants in the program. Wayne County is in the process of designing this program with input from the local HUD Office and MHSDA.

Section 2301(d)(1) of HERA requires any purchase of a *foreclosed-upon home or residential property* under NSP be at a discount from the current market-appraised value of the home or property. Such discount shall ensure that purchasers are paying below-market value for the home or property.

It is anticipated that a mixture of single family and multi-family residential product will be created through this activity. Assistance to Developers and Subrecipients will be given in the form of a zero interest forgivable loan that is secured by a mortgage and note on each property. The mortgage and note will be released when each homebuyer closes. It will be replaced with a soft second mortgage to secure the appropriate affordability period.

Project Example: Wayne County intends to fund a project that represents a partnership between Habitat for Humanity and ACCESS (a local non-profit). ACCESS offers supportive services to families who are victims of domestic violence or other violent crimes. ACCESS will identify families who are ready for independence that meet required income guidelines. Units will be selected within the Target Area for the families to choose from. Each family will choose the house they wish to rehabilitate. Habitat will involve the family in the sweat equity portion of the rehabilitation and provide a low cost mortgage to the family upon completion. Each family will receive the initial 8 hour counseling from a certified counseling agency and will also receive ongoing supportive services from ACCESS.

This Activity will be primarily conducted in Target Areas 1, 3 and 4.

ELIGIBLE USE D – DEMOLITION OF BLIGHTED STRUCTURES

Wayne County will demolish blighted residential and commercial structures in accordance with NSP3 guidelines.

Based on the overwhelming presence of blight in Wayne County and its success with the Urban Demolition Program, **Wayne County requests a waiver from HUD on the required 10% cap for demolition activities.** The cap should be raised to 30% to represent the market needs of this area.

The Urban Demolition Program is targeted to specific neighborhoods, and is a concentrated effort within those neighborhoods. Because the effort is so concentrated, the intended beneficiaries of this Eligible Activity are the citizens of Detroit who reside in these extremely blighted LMI census tracts and the National Objective will be LMMA. The performance measure will be units demolished.

Project Example: Wayne County intends to continue its Urban Demolition Initiative in the City of Detroit and elsewhere within our Target Areas in cooperation with local government staff. It is estimated that an additional 253 residential structures will be demolished with this allocation. Each unit demolished will meet the definition of “blight” provided in this Substantial Amendment.

Wayne County will enter into a subrecipient agreement with the Wayne County Land Bank (WCLB) to perform activities under eligible uses D. It is not anticipated that NSP dollars will be used for eligible use C. Each eligible activity will be identified within the project categories listed above in DRGR. The WCLB Subrecipient Agreement will also include funds for the Third Party Program Manager once the competitive bid process is complete.

This activity will be primarily conducted I Target Areas 1 and 2.

ELIGIBLE USE E -- REDEVELOPMENT OF VACANT STRUCTURES FOR HOUSING FOR FAMILIES BELOW 120% AREA MEDIA INCOME (AMI).

Standards, requirements and guidelines for eligible Use E will mirror Eligible Use B, with the exception that units will be available for families below 120% AMI.

Project Example: Wayne County intends to fund the rehabilitation and expansion of the Pinewoods condominium project in the City of Taylor. These condominiums have become blighted and uninhabitable. The City of Taylor is creating an affordable, LEED certified development that is walkable and energy efficient.

Redevelopment will be targeted to meet the LMMH National Objective. The intended beneficiaries of this Eligible Activity are families who are below 120% AMI. The performance measure will be residential units.

This Activity will be primarily conducted in Target Areas 1, 3 and 4.

SPECIFIC PROGRAM RESTRICTIONS

As discussed further, section 2301(d)(1) of HERA requires that any acquisition of a foreclosed-upon home or residential property under NSP be at a discount from the current market-appraised value of the home or property and that such discount shall ensure that purchasers are paying below-market value for the home or property

Acquisition and Relocation activities undertaken with NSP funds must comply with the Uniform Acquisition and Relocation Policies Act of 1976, as amended. ***Wayne County will not approve the acquisition of residential or other vacant structures that are currently occupied by bona-fide tenants, unless previously agreed to in writing***

C. PUBLIC COMMENT

The public comment period for this Substantial Amendment is scheduled from February 11, 2011 to February 26, 2011. Wayne County will post the proposed plan on the County's Website beginning February 11, 2011.

All public comments will be incorporated in the Final Substantial Amendment and reposted on the County's website.

D. PROGRAM MANAGEMENT AND ADMINISTRATION

Wayne County procured a Program Manager for NSP 1, which has specific expertise in federal fund management, single family rehabilitation and demolition. The addition of this Program Manager has increased Wayne County's capacity significantly and enabled us to meet our obligation deadline in September of 2010. Therefore, Wayne County intends to procure a Program Manager for NSP3 in a similar manner.

In order to meet all the administrative regulations and reporting requirements set forth by the federal government, up to 10 percent of the grant and program income is permitted and recommended for administrative costs. The Program Manager and all staff and other administrative costs will be paid through these funds.

Developers and Subrecipients are currently being identified for the proposed projects. Each Developer and Subrecipient will be added to the Action Plan once they are under contract.

NSP 3 Timeline

An amendment to Wayne County's 2007 Consolidated Plan and 2010 Action Plan was submitted to HUD by March 1st, 2011.

There was 15 day public comment period for the original Substantial Amendment from February 11th, 2011 to February 27th;

The Proposed Substantial Amendment was posted on Wayne County's website on February 11th.

This Revised Substantial Amendment was posted in the website on March 1, 2011.

The County and its developers and subrecipients have **two years to expend 50% of the NSP funds and three years to expend one hundred percent of the funds.**

E. CERTIFICATIONS

Although the NSP3 is being implemented as a substantial amendment to the current annual action plan, HUD is requiring submission of this alternative set of certifications as a conforming change, reflecting alternative requirements and waivers under this notice. Each jurisdiction will submit the following certifications:

1. Affirmatively furthering fair housing. The jurisdiction certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

2. Anti-displacement and relocation plan. The applicant certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan.

3. Anti-lobbying. The jurisdiction must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

4. Authority of jurisdiction. The jurisdiction certifies that the consolidated plan or abbreviated plan, as applicable, is authorized under state and local law (as applicable) and that the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.

5. Consistency with plan. The jurisdiction certifies that the housing activities to be undertaken with NSP funds are consistent with its consolidated plan or abbreviated plan, as applicable.

6. Acquisition and relocation. The jurisdiction certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the notice for the NSP program published by HUD.

7. Section 3. The jurisdiction certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

8. Citizen participation. The jurisdiction certifies that it is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.

9. Following a plan. The jurisdiction certifies it is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD. [Only States and entitlement jurisdictions use this certification.]

10. Use of funds. The jurisdiction certifies that it will comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act and Title XII of Division A of the American Recovery and Reinvestment Act of 2009 by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, of receipt of the grant.

11. The jurisdiction certifies: a. That all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and b. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

12. Excessive force. The jurisdiction certifies that it has adopted and is enforcing:
a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and b. A policy of enforcing applicable state and local laws against physically barring entrance to, or exit from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

13. Compliance with antidiscrimination laws. The jurisdiction certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601–3619), and implementing regulations.

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

15. Compliance with laws. The jurisdiction certifies that it will comply with applicable laws.

F. SIGNATURE



Robert A. Ficano
County Executive

3/1/2011

Date

NSP 3 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): Wayne County Lead Agency Jurisdiction Web Address: www.waynecounty.com/communitydevelopment	NSP 3 Contact Person: Jill Ferrari Address: 500 Griswold, 10 th Floor Detroit, MI 48226 Telephone: (313) 224-5048 Fax: (313) 224-7450 Email: jferrari@co.wayne.mi.us
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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 starting on page 2

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 sub prime 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 starting on page 4.

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 6.
- a definition of "affordable rents,"
 Yes No . Verification found on page 7.
- a description of how the grantee will ensure continued affordability for NSP assisted housing,
 Yes No . Verification found on page 7.

- a description of housing rehabilitation standards that will apply to NSP assisted activities?
Yes No . Verification found on page 7.

D. INFORMATION BY ACTIVITY

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

- eligible use of funds under NSP,
Yes No . Verification found starting on page 8.
- correlated eligible activity under CDBG,
Yes No . Verification found starting on page 8.
- the areas of greatest need addressed by the activity or activities,
Yes No . Verification found starting on page 8.
- expected benefit to income-qualified persons or households or areas,
Yes No . Verification found starting on page 8.
- appropriate performance measures for the activity,
Yes No . Verification found on page 8
- amount of funds budgeted for the activity,
Yes No . Verification found on page 8..
- the name, location and contact information for the entity that will carry out the activity,
Yes No . Verification found on page 8.
- anticipated start and end dates of the activity?
Yes No . Verification found on page 11.

E. SPECIFIC ACTIVITY REQUIREMENTS

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

If the activity includes acquisition of real property,

- the discount required for acquisition of foreclosed upon properties,
Yes No . Verification found on page 11.

If the activity provides financing,

- the range of interest rates (if any),
Yes No . Not Applicable.

If the activity provides housing,

- duration or term of assistance,
Yes No . Verification found on page 8.
- tenure of beneficiaries (e.g., rental or homeownership),
Yes No . Verification found on page 8.
- does it ensure continued affordability?
Yes No . Verification found on page 8.
- 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 8.

F. LOW INCOME TARGETING

- Has the grantee described how it will meet the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
Yes No . Verification found on page 8.
- 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 8.

G. DEMOLITION OR CONVERSION OF LOW- AND MODERATE-INCOME UNITS

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

- Yes No . (If no, continue to next heading)
Verification found on page 8.

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 8.

- 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 8.
- 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 8.

H. PUBLIC COMMENT PERIOD

Was the proposed action plan amendment published via the grantee jurisdiction's usual methods and on the Internet for no less than 15 calendar days of public comment?
Yes No . Verification found on page 11.

Is there a summary of citizen comments included in the final amendment?
Yes No . Verification found on page 11.

I. WEBSITE PUBLICATION

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

- SF 424 Yes No .
- Proposed NSP Substantial Amendment Yes No .
- Final NSP Substantial Amendment Yes No .
- Subsequent NSP Amendments Yes No .

Website URL: www.waynecounty.com/communitydevelopment

K. CERTIFICATIONS

The following certifications are complete and accurate:

- | | | |
|--|---|-----------------------------|
| (1) Affirmatively furthering fair housing | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (2) Anti-Displacement and Relocation | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (3) Anti-lobbying | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (4) Authority of Jurisdiction | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (5) Consistency with Plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (6) Acquisition and relocation | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (7) Section 3 | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (8) Citizen Participation | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (9) Following Plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (10) Use of funds | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (11) Use NSP funds ≤ 120 of AMI | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (12) Excessive Force | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (13) Compliance with anti-discrimination laws | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (14) Compliance with lead-based paint procedures | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (15) Compliance with laws | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |