

Action Plan

Grantee: Alabama

Grant: B-11-DN-01-0001

LOCCS Authorized Amount:	\$ 5,000,000.00
Grant Award Amount:	\$ 5,000,000.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 0.00
Total Budget:	\$ 5,000,000.00

Funding Sources

No Funding Sources Found

Narratives

Summary of Distribution and Uses of NSP Funds:

The NSP3 Substantial Amendment for the State of Alabama, in its entirety, may be found at <http://www.adeca.alabama.gov/C15/NSP3/Document%20Library/NSP3%20Substantial%20Amendment-Approved.pdf>. Due to receiving the minimum grant allocation and the desire to create a targeted, realistic NSP3 program, the State of Alabama used a method of distribution which utilized a competitive application process in accordance with HUD December 29, 2010, Guidance on Mapping and Needs Data for State NSP3 Action Plans. All applicants were required to submit target area maps using the HUD NSP3 mapping tool. The State used the four counties HUD determined were the areas of greatest need under NSP1 as a starting point and then reviewed HUD Neighborhood Stabilization Program Data to determine the highest concentrations of REO properties within these counties. Using a need score of 17 as a filter, Jefferson County alone accounted for 82 percent of the REO properties within these four counties. Using the State minimum allowable need score of 15 as a filter, Jefferson County accounted for 72 percent of the REO properties. Considering the large concentration of available REO properties in Jefferson County, the fact that the only other HUD NSP3 allocation in the State is to the City of Birmingham located in Jefferson County, the limited ability to potentially address 50 to 65 properties due to the minimum allocation of funds, and the desire to have as much impact as possible, the State limited applications to projects located within Jefferson County neighborhood(s) or Census tracts with a NSP3 Foreclosure Need Score of 15 or greater. (Note: If more than one neighborhood was identified, the State accepted an average score of 15 or greater which was derived by averaging the neighborhood NSP3 need scores, weighting the scores by the estimated number of housing units in each identified neighborhood.) Based on prior experience with NSP1, the State program established a set of objectives to ensure NSP3 activities will be cost-effective, have measurable impact and be implemented in a timely manner. State Objectives

1. To the extent feasible, an NSP3 activity must have a direct relationship to addressing redevelopment of abandoned and/or foreclosed upon and/or vacant multi-family or single-family properties.
2. Activity must have a measurable impact towards addressing needs related to abandoned and/or foreclosed upon and/or vacant multi-family or single-family properties.
3. Activity must be cost-effective for each unit assisted with NSP3 funds.
4. NSP3 funds, as much as possible, should be targeted towards hard costs, financing costs, or costs absolutely necessary to implement an activity. Soft-costs should be kept to a minimum.
5. Applicant should demonstrate capacity as a result of in-house experience to successfully carry-out the project.
6. The emergency nature of the program as well as the regulatory timeline on expenditure of funds dictates extreme importance of project readiness and timely completion in the project funding decision.

Eligible Applicants Eligible applicants for NSP3 funds were entities who demonstrated capacity to directly carry-out NSP activities and who had successfully completed a minimum of 15 units without serious issues. Due to the State minimum allocation of \$5,000,000, joint applications were not accepted, although the State did allow for the consideration of a project that combined the use of State NSP3 funds with the NSP3 allocation to the City of Birmingham.



How Fund Use Addresses Market Conditions:

As part of the competitive application process, proposed projects targeted units located in Jefferson County neighborhood(s) or Census tracts with a NSP3 Foreclosure Need Score of 15 or greater.

The Greater Birmingham Habitat for Humanity will conduct activities in HUD Mapping Tool Neighborhood ID 6305297 located in Center Point, Jefferson County, Alabama, an area of greatest need with a NSP3 Foreclosure Need Score of 15.49. Activities will address the foreclosure issue in the project area by removing some of the existing foreclosure stock and returning it to viable owner occupied housing. Habitat services its own mortgages at a fixed rate of zero percent interest.

Aletheia House will conduct activities in HUD Mapping Tool Neighborhood ID 8928283 in Center Point, Jefferson County, Alabama, an area of greatest need with a NSP3 Foreclosure Need Score of 16.14. Activities will positively address local market conditions by renovating a foreclosed multi-family property which is located near other multi-family properties, one of which is a 140-unit property acquired and rehabilitated with NSP1 grant funds. Also, 56.3 percent of households in the project area earn less than 50 percent of area median income and this activity will target households in that income group.

To the extent possible, sub-recipients and developers will be encouraged to carry out their NSP3 activities in the context of a comprehensive plan for the community vision of how it can make its neighborhoods not only more stable, but also more sustainable, inclusive, competitive, and integrated into the overall metropolitan fabric, including access to transit, affordable housing, employers, and services.

Ensuring Continued Affordability:

For NSP assisted housing, the State of Alabama will use the HOME program standards at 24 CFR 92.252(a),(c),(e) and (f) and 92.254 to ensure continued affordability.

For rental housing rehabilitation or acquisition of existing housing:

A per unit investment of less than \$15,000 NSP3 funds requires a minimum affordability period of 5 years.
A per unit investment of \$15,000 to \$40,000 NSP3 funds requires a minimum affordability period of 10 years.
A per unit investment of over \$40,000 NSP3 funds requires a minimum affordability period of 15 years.
New construction or acquisition of newly constructed housing requires a minimum affordability period of 20 years.

For homeownership assistance:

A per unit investment of less than \$15,000 NSP3 funds requires a minimum affordability period of 5 years.
A per unit investment of \$15,000 to \$40,000 NSP3 funds requires a minimum affordability period of 10 years.
A per unit investment of over \$40,000 NSP3 funds requires a minimum affordability period of 15 years.

Under the State Neighborhood Stabilization Program, subprime mortgages are discouraged. Sub-recipients and developers must ensure and document compliance that each homebuyer obtains a mortgage loan from a lender who agrees to comply with the bank regulators guidance for non-traditional mortgages (see, Statement on Subprime Mortgage Lending issued by the Office of the Comptroller of the Currency, Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, Department of the Treasury, and National Credit Union Administration, available at the following link: <http://www.fdic.gov/regulations/laws/rules/5000-5186.html>).

Further, sub-recipients and developers must require each NSP-assisted homebuyer to receive and complete at least 8 hours of homebuyer counseling from a HUD-approved housing counseling agency before obtaining a mortgage loan.

Enforcement requirements will be passed down to sub-recipients and developers to ensure to the maximum extent practicable and for the longest feasible term, that the sale, rental, or redevelopment of abandoned and/or foreclosed upon and/or vacant homes and residential properties remain affordable to individuals or families whose incomes do not exceed 120 percent of area median income or, for units originally assisted with funds under the requirements of section 2301(f)(3)(A)(ii), remain affordable to individuals and families whose incomes do not exceed 50 percent of area median income. Applicants were required to identify their continued affordability standards and enforcement mechanisms as part of their application for funding as well as their definition of affordable rents for NSP-assisted rental projects.

Definition of Blighted Structure:

Title 24 Housing, Section 24-2-2 (c) of The Code of Alabama 1975 defines blighted property as property that contains any of the following factors:

- The presence of structures, buildings, or improvements, which, because of dilapidation, deterioration, or unsanitary or unsafe conditions, vacancy or abandonment, neglect or lack of maintenance, inadequate provision for ventilation, light, air, sanitation, vermin infestation, or lack of necessary facilities and equipment, are unfit for human habitation or occupancy.
- The existence of high density of population and overcrowding or the existence of structures which are fire hazards or are otherwise dangerous to the safety of persons or property or any combination of the factors.
- The presence of a substantial number of properties having defective or unusual conditions of title which make the free transfer or alienation of the properties unlikely or impossible.
- The presence of structures from which the utilities, plumbing, heating, sewerage, or other facilities have been disconnected, destroyed, removed, or rendered ineffective so that the property is unfit for its intended use.



- The presence of excessive vacant land on which structures were previously located which, by reason of neglect or lack of maintenance, has become overgrown with noxious weeds, is a place for accumulation of trash and debris, or a haven for mosquitoes, rodents, or other vermin where the owner refuses to remedy the problem after notice by the appropriate governing body.
- The presence of property which, because of physical condition, use, or occupancy, constitutes a public nuisance or attractive nuisance where the owner refuses to remedy the problem after notice by the appropriate governing body.
- The presence of property with code violations affecting health or safety that has not been substantially rehabilitated within the time periods required by the applicable codes.
- The presence of property that has tax delinquencies exceeding the value of the property.
- The presence of property which, by reason of environmental contamination, poses a threat to public health or safety in its present condition.

(Acts 1949, No. 491, p. 713, §2; Acts 1967, No. 416, p. 1070, §2; Act 2006-584, p. 1544, §1.)

Definition of Affordable Rents:

Rent will be considered affordable if it falls within the Official Individual Area Fair Market Rents (FMR) as published in the Federal Register. These FMRs are utilized by the Alabama Housing Finance Authority which administers the State Home Investments Partnership Program (HOME). The table for the 2010 HOME Program Income/Rent Limits for the State of Alabama can be found at the following link: www.ahfa.com/Compliance/IncRentLimits_HOME2010.aspx.

Housing Rehabilitation/New Construction Standards:

Applicants were required to identify the relative building code(s) applicable to their activities as part of the application for funding process. At a minimum, the State accepted the Standard (Southern) Building Code (SBCCI) or HUD Housing Quality Standards (HQS) as identified at Title 24 of the Code of Federal Regulations, Chapter IX, Part 982.401. Rehabilitation activities shall be to the extent necessary to comply with applicable laws, codes, and other requirements relating to housing safety, quality, and habitability, in order to sell, rent, or redevelop such homes and properties. The State will strongly encourage sub-recipients and developers to not only stabilize neighborhoods in the short-term, but to strategically incorporate energy efficient and environmentally-friendly green elements as part of their rehabilitation activities to provide for long-term affordability and increased sustainability. Green elements may include transit accessibility, green building standards, reuse of cleared sites, deconstruction, renewable energy, water conservation, energy efficient materials and healthy homes as described in the Green Housing Development Guide located at the following link: <http://hudnshelp.info/media/resources/GreenHousingDevelopmentGuide.pdf>. All rehabilitation must meet or exceed local building codes. While the State of Alabama does not have a uniform, statewide building code for residential properties, most jurisdictions voluntarily adopt varying codes such as: · International Building Code (IBC) · International Energy Conservation Code (IECC) · International Existing Building Code (IEBC) · International Fire Code (IFC) · International Fuel Gas Code (IFGC) · International Mechanical Code (IMC) · International Performance Code (ICCPC) · International Plumbing Code (IPC) · International Private Sewage Disposal Code (IPSDC) · International Property Maintenance Code (IPMC) · International Residential Code (IRC) All gut rehabilitation or new construction (i.e., general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls) of residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes. 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). Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete products and appliances (such as windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units, refrigerators, clothes washers and dishwashers) with Energy Star-46 labeled products. Water efficient toilets, showers, and faucets, such as those with the WaterSense label, must be installed. Where relevant, the housing should be improved to mitigate the impact of disasters (e.g., hurricane, flooding, fire). Rehabilitation activities to be cond

Vicinity Hiring:

As part of the competitive application process, each applicant demonstrated how it will, to the maximum extent feasible, provide for the hiring of employees that reside in the vicinity of the project or contract with small businesses that are owned and operated by persons residing in the vicinity of the project.

o Note: For purposes of NSP3, HUD defines vicinity as each neighborhood identified by the NSP3 applicant as being the areas of greatest need. The NSP3 local hiring requirement does not replace the responsibilities of the grantee under Section 3 of the Housing and Urban Development Act of 1968 and implementing regulations at 24 CFR Part 135, except to the extent the obligations may be in direct conflict.

The Greater Birmingham Habitat for Humanity will, to the maximum extent feasible, provide for the hiring of employees who reside in the vicinity of the project or contract with small businesses that are owned and operated by persons residing in the vicinity of the project.

Aletheia House will notify interested parties of bid opportunities by working with the Birmingham Construction Industry Authority (which is responsible for strengthening the capacity of small and minority-owned businesses), advertising the project in the local newspaper, and contacting contractors who have performed high quality work for the agency in the past.



Procedures for Preferences for Affordable Rental Dev.:

As part of the competitive application process, applications for affordable rental units were given priority. Multi-family rental properties were given higher priority than single-family rental properties subject to other rating considerations.

Grantee Contact Information:

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Project Summary

Project #	Project Title	Grantee Activity #	Activity Title	Grantee Program
2RHB	Alabama NSP3 Rehabilitation	ALTH-2RHB25M1-002	ALETHEIA HOUSE-REHABILITATION-50	
		HBGB-2RHB25-003	HABITAT GREATER BIRMINGHAM-REHABILITATION-50	
		HBGB-2RHB75-003	HABITAT GREATER BIRMINGHAM-REHABILITATION-120	
3ADM	Alabama NSP3 Administration	STATE-AL-3ADMIN	STATE OF ALABAMA-ADMINISTRATION	
9999	Restricted Balance	<i>No activities in this project</i>		



Activities

Project # / 2RHB / Alabama NSP3 Rehabilitation

Grantee Activity Number: ALTH-2RHB25M1-002

Activity Title: ALETHEIA HOUSE-REHABILITATION-50

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

2RHB

Projected Start Date:

06/22/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Activity Status:

Under Way

Project Title:

Alabama NSP3 Rehabilitation

Projected End Date:

12/31/2020

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 2,250,000.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 2,250,000.00

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

Renter Households

	Total	Low	Mod	Low/Mod%
# Renter Households	104	104		100.00
# of Households	104	104		100.00

104

104

100.00

of Households

104

104

100.00

Proposed Accomplishments

of Multifamily Units

Total

104

of Housing Units

104

ELI Households (0-30% AMI)

Proposed budgets for organizations carrying out Activity:

Responsible Organization

ALETHEIA HOUSE

Organization Type

Non-Profit

Proposed Budget

\$ 2,250,000.00



Location Description:

1817 Amberwood Drive, Center Point, Jefferson County, Alabama 35215 (HUD Mapping Tool Neighborhood ID 8928283)

Activity Description:

Under Eligible Use B, acquire and rehabilitate foreclosed multi-family property with NSP3 funds in order to rent to households whose incomes are at or below 50 percent of area median income.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None



Grantee Activity Number: HBGB-2RHB25-003

Activity Title: HABITAT GREATER BIRMINGHAM-REHABILITATION-50

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

2RHB

Projected Start Date:

06/22/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Activity Status:

Under Way

Project Title:

Alabama NSP3 Rehabilitation

Projected End Date:

12/31/2020

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 408,928.89

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 408,928.89

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Renter Households	1	1		100.00
# Owner Households	5	5		100.00
# of Households	6	6		100.00

Proposed Accomplishments

	Total
# of Singlefamily Units	6
# of Housing Units	6
# ELI Households (0-30% AMI)	

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
GREATER BIRMINGHAM HABITAT FOR HUMANITY	Non-Profit	\$ 562,500.00

Location Description:

Center Point, Jefferson County, Alabama (HUD Mapping Tool Neighborhood ID 6305297)



Activity Description:

Under Eligible Use B, acquire and rehabilitate foreclosed, vacant, or abandoned homes with NSP3 funds in order to sell to households whose incomes are at or below 50 percent of area median income.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None



Grantee Activity Number: HBGB-2RHB75-003

Activity Title: HABITAT GREATER BIRMINGHAM-REHABILITATION-120

Activity Type:
Rehabilitation/reconstruction of residential structures

Project Number:
2RHB

Projected Start Date:
06/22/2011

Project Draw Block by HUD:
Not Blocked

Activity Draw Block by HUD:
Not Blocked

Block Drawdown By Grantee:
Not Blocked

National Objective:
LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Benefit Report Type:
Direct (Households)

Activity Status:
Under Way
Project Title:
Alabama NSP3 Rehabilitation

Projected End Date:
12/31/2020

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 1,841,071.11
Most Impacted and Distressed Budget: \$ 0.00
Other Funds: \$ 0.00
Total Funds: \$ 1,841,071.11

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Renter Households	1		1	100.00
# Owner Households	14		14	100.00
# of Households	15		15	100.00
Proposed Accomplishments	Total			
# of Singlefamily Units	15			
# of Housing Units	15			

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
GREATER BIRMINGHAM HABITAT FOR HUMANITY	Non-Profit	\$ 1,687,500.00

Location Description:
Center Point, Jefferson County, Alabama (HUD Mapping Tool Neighborhood ID 6305297)

Activity Description:



Under Eligible Use B, acquire and rehabilitate foreclosed, vacant, or abandoned homes with NSP3 funds in order to sell to households whose incomes are at or below 120 percent of area median income.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None

Project # / 3ADM / Alabama NSP3 Administration



Grantee Activity Number: STATE-AL-3ADMIN

Activity Title: STATE OF ALABAMA-ADMINISTRATION

Activity Type:

Administration

Project Number:

3ADM

Projected Start Date:

03/14/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

Not Applicable (for Planning/Administration or Unprogrammed Funds only)

Benefit Report Type:

NA

Activity Status:

Under Way

Project Title:

Alabama NSP3 Administration

Projected End Date:

12/31/2020

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 500,000.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 500,000.00

Proposed budgets for organizations carrying out Activity:

Responsible Organization

ADECA

Organization Type

State Agency

Proposed Budget

\$ 500,000.00

Location Description:

Alabama Department of Economic and Community Affairs, Montgomery, Alabama

Activity Description:

State NSP3 Administration

Environmental Assessment: EXEMPT

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None



Action Plan Comments:

- JUNE J. Rejected. Grantee will add subrecipient information and resubmit.
- JUNE J. Plan is approved. All selected activities are in the area of greatest need and address the NSP3 national objectives.
- Tiffin Jr, Changes were made to the Action Plan budget to move funds to the 25 percent set-aside accounts after qualified occupants were reported per 1-7-14 email from Sandra Donaldson. TT; 1-8-14.
- Tiffin Jr, Modifications were made to the Action Plan budget to move funds to the 25 percent set-aside accounts after qualified occupants were reported per 4/9/14 email from the grantee. TT; 4/9/2014

Action Plan History

Version	Date
B-11-DN-01-0001 AP#6	04/27/2021
B-11-DN-01-0001 AP#5	04/15/2019
B-11-DN-01-0001 AP#4	02/26/2018
B-11-DN-01-0001 AP#3	04/09/2014
B-11-DN-01-0001 AP#2	01/08/2014
B-11-DN-01-0001 AP#1	07/07/2011

