

# Action Plan

**Grantee: Kissimmee, FL**

**Grant: B-11-MN-12-0012**

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<b>LOCCS Authorized Amount:</b>	\$ 1,042,299.00
<b>Grant Award Amount:</b>	\$ 1,042,299.00
<b>Status:</b>	Reviewed and Approved
<b>Estimated PI/RL Funds:</b>	\$ 229,255.75
<b>Total Budget:</b>	\$ 1,271,554.75

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## Funding Sources

Funding Source	Funding Type
Project income - sale of 2 homes (1610)	Program Income

## Narratives

### Summary of Distribution and Uses of NSP Funds:

The first priority of the NSP3 grant is to establish a partnership through the RFQ process with a developer. The developer must show that they are able to acquire a foreclosed and abandoned hotel or motel within the target area for redevelopment. The developer must also show that they are able to secure funding to complete the project. Once all financial aspects have been secured, the NSP3 funds will be awarded to the developer. The hotel/motel will then be rehabilitated and re-used for multi-family rental units. Twenty-five percent of the funds will be spent on units that will be rented to households whose income does not exceed 50% AMI. ALL multi-family units will be rental.

If the developer is unable to secure a site or funding in a reasonable amount of time, the City will move to Plan B.

The City acquired 4 vacant lots through the CDBG Land Acquisition program. A Request for Proposals will be advertised to solicit a developer to build single family homes on these 4 lots. Staff is aware that both CDBG and NSP3 requirements must be met.

During the construction of the homes applications will be accepted for potential home owners. Income eligible home owners will be required to meet the housing counseling requirements prior to closing. A deed restriction will be placed on the property to ensure long term affordability. Purchase assistance will be made available and a zero interest deferred loan will be executed to protect that investment.

Remaining funds will be used in the Central Kissimmee Target Area to acquire, rehab and resell foreclosed homes to income eligible households. ALL single family units will be owner occupied.

September 2013 update: After diligent but unsuccessful negotiations to purchase a hotel/motel for rehabilitation/redevelopment as long-term affordable rental housing for low income households, the City has elected to proceed with Plan B contained within the original NSP3 Action Plan.

Three (correction from above) vacant lots currently owned by the City of Kissimmee will be redevelopment with new homes. Two vacant lots will receive newly constructed single-family homes that will be offered for sale to NSP3 income-eligible homebuyers. The third vacant lot will receive a newly constructed duplex that once completed, will be offered to the City's non-profit partner for long-term affordable rental for low income households.

Any remaining NSP3 funding (approximately \$325,000) will be used to acquire/rehabilitate/resell existing foreclosed single-family homes located within the existing NSP3 Target Area.

### How Fund Use Addresses Market Conditions:

Rehabilitation of the abandoned hotel/motel will provide an increased property value to the surrounding area. It will also bring residents to an abandoned, blighted site. Directly north of the corridor with the most abandoned hotel/motel sites in the Target Area is a large concentration of condominiums that took a very hard hit in the real estate and subprime market. While the City does not desire to move low income residents into these units with the NSP3 funds due to the instability of the condominium associations and ownership, providing surrounding redevelopment will indirectly benefit these properties.

If the City is unable to complete the redevelopment plan, the alternative activity will address the local housing market by adding newly constructed and newly rehabilitated homes in declining neighborhoods, thereby raising all homes' values.



### Ensuring Continued Affordability:

By securing the affordability of the homes with the mortgage and deed restriction the activity is designed to remain sustainable and affordable for the community for up to 15 years.

### Definition of Blighted Structure:

A structure is blighted when it exhibits objectively determinable signs of deterioration. Examples of determinable signs include, but are not limited to peeling paint, rotting wood, failing roof structure, failing foundation, broken windows, and general lack of maintenance sufficient to constitute a threat to human health, safety, and public welfare.

### Definition of Affordable Rents:

Rents that are subject to controls designed to ensure that payments are reasonable for very low income families. For the purpose of the NSP grant, affordable rents shall not exceed Fair Market Rents for household size for the Orlando MSA as published by the HUD Office of Policy Development and Research.

### Housing Rehabilitation/New Construction Standards:

Replacement of obsolete products and appliances shall meet Energy Star labeled products. Water efficient toilets, showers, and faucets such as those with WaterSense label, must be installed. Improvements shall mitigate the impact of disasters. Minimum construction standards shall comply with the Florida Building Code, latest edition. Rehabilitation shall also include compliance with Lead-based paint abatement.

All gut rehabilitation of residential buildings up to three stories shall be designed to meet the standard for Energy Star Qualified Homes.

All gut rehabilitation or new construction of mid or high-rise multifamily housing will be designed to meet American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Standard 90.1-2004, Appendix G plus 20 percent .

### Vicinity Hiring:

The developer that is chosen through the RFQ process will be required to make every attempt to hire workers from within the target area. City staff will require the developer to meet with the local Workforce Florida office and advertise employment opportunities in local newspapers and on the city’s government television network, Access Osceola.

### Procedures for Preferences for Affordable Rental Dev.:

The RFQ will be awarded through a selection criteria that follows review procedures with regard to the multi-family property chosen. The project must meet the following criteria:

- Large enough to have an impact on the target area
- Small enough to obtain funds and complete within the NSP3 timeframe
- Free from environmental hazards that would push redevelopment costs beyond the funding obtained and timeframe allowed
- Have access to public transportation

### Grantee Contact Information:

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## Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
01	Redevelopment	03	Acquisition Rehab Resell
		1a	Redevelopment LMMI
		1b	Redevelopment LH25
02	Administration	02	Administration
9999	Restricted Balance	<i>No activities in this project</i>	



# Activities

**Project # / Title:** 01 / Redevelopment

**Grantee Activity Number:** 03  
**Activity Title:** Acquisition Rehab Resell

**Activity Type:**  
 Rehabilitation/reconstruction of residential structures

**Project Number:**  
 01

**Projected Start Date:**  
 04/15/2011

**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

**Activity Status:**  
 Under Way

**Project Title:**  
 Redevelopment

**Projected End Date:**  
 12/01/2013

**Project Draw Block Date by HUD:**

**Activity Draw Block Date by HUD:**

**Total Budget:** \$ 248,069.10

**Most Impacted and Distressed Budget:** \$ 0.00

**Other Funds:** \$ 0.00

**Total Funds:** \$ 248,069.10

**Benefit Report Type:**  
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	1	1		100.00
# of Households	1	1		100.00

Proposed Accomplishments	Total
# of Singlefamily Units	1
# of Housing Units	1
Activity funds eligible for DREF (Ike Only)	
#Units & other green	
#Units deconstructed	
#Sites re-used	1
#Units exceeding Energy Star	1
#Units with bus/rail access	1
#Low flow showerheads	1
#Low flow toilets	1
#Units with solar panels	



#Dishwashers replaced	1
#Clothes washers replaced	
#Refrigerators replaced	1
#Light fixtures (outdoors) replaced	1
#Light Fixtures (indoors) replaced	1
#Replaced hot water heaters	1
#Replaced thermostats	1
#Efficient AC added/replaced	1
#High efficiency heating plants	
#Additional Attic/Roof Insulation	1
#Energy Star Replacement Windows	1
# of Properties	1

**Activity is being carried out by Grantee:**

Yes

**Activity is being carried out through:**

Grantee Employees

**Organization carrying out Activity:**

City of Kissimmee

**Proposed budgets for organizations carrying out Activity:**

Responsible Organization	Organization Type	Proposed Budget
City of Kissimmee	Local Government	\$ 248,069.10

**Location Description:**

Central Kissimmee NSP3 Target Area  
2510 W. Orange Boulevard, Kissimmee

**Activity Description:**

In addition to new construction of 1 duplex reserved for long-term affordable rental for low income households, and new construction of 2 single-family homes to be offered for sale to NSP3 income-eligible homebuyers, the City will utilize any/all remaining NSP3 funding to acquire/rehabilitate/and resell foreclosed homes.

It is anticipated that the City will have adequate remaining funding to acquire/rehab/resell approximately 3 foreclosed single-family homes.

After review of contracted costs for construction of one new duplex unit and two single family units, the remaining budget in NSP3 will not accommodate more than one acquisition of a foreclosed home to be rehabilitated and resold to an eligible homebuyer.

**Environmental Assessment:** COMPLETED

**Environmental Reviews:** None





**Grantee Activity Number:** 1a  
**Activity Title:** Redevelopment LMMI

**Activity Type:**

Rehabilitation/reconstruction of residential structures

**Project Number:**

01

**Projected Start Date:**

04/15/2011

**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

**Activity Status:**

Planned

**Project Title:**

Redevelopment

**Projected End Date:**

12/01/2013

**Project Draw Block Date by HUD:**

**Activity Draw Block Date by HUD:**

**Total Budget:** \$ 330,280.00

**Most Impacted and Distressed Budget:** \$ 0.00

**Other Funds:** \$ 0.00

**Total Funds:** \$ 330,280.00

**Benefit Report Type:**

Direct (Households)

**Proposed Beneficiaries**

	<b>Total</b>	<b>Low</b>	<b>Mod</b>	<b>Low/Mod%</b>
# Renter Households	2	2		100.00
# of Households	2	2		100.00

**Proposed Accomplishments**

	<b>Total</b>
# of Multifamily Units	2
# of Housing Units	2
Activity funds eligible for DREF (Ike Only)	
#Units $\geq$ other green	
#Units deconstructed	
#Sites re-used	1
#Units exceeding Energy Star	2
#Units with bus/rail access	2
#Low flow showerheads	
#Low flow toilets	4
#Units with solar panels	
#Dishwashers replaced	
#Clothes washers replaced	
#Refrigerators replaced	
#Light fixtures (outdoors) replaced	
#Light Fixtures (indoors) replaced	



#Replaced hot water heaters	2
#Replaced thermostats	
#Efficient AC added/replaced	2
#High efficiency heating plants	
#Additional Attic/Roof Insulation	
#Energy Star Replacement Windows	
# of Properties	1

**Activity is being carried out by Grantee:**

Yes

**Activity is being carried out through:**

Grantee Employees

**Organization carrying out Activity:**

City of Kissimmee

**Proposed budgets for organizations carrying out Activity:**

Responsible Organization	Organization Type	Proposed Budget
City of Kissimmee	Local Government	\$ 330,280.00

**Location Description:**

NSP3 target area with is Central Kissimmee

**Activity Description:**

After diligent but unsuccessful attempts to negotiate purchase of an existing hotel/motel for conversion to affordable rental housing, the City of Kissimmee is now proceeding with Plan B contained within its original, approved NSP3 Action Plan. This alternative utilizes 3 vacant lots currently owned by the City and intended for housing redevelopment to construct (1) one rental duplex unit that will be donated to the City's non-profit partner after construction to be used for long-term affordable rental housing for low income households, and (2) two new single family homes that will be offered for sale to NSP3 income-eligible homebuyers. NSP3 Activity Number NSP1a is the activity under which the two single-family homes will be completed.

**Environmental Assessment:** UNDERWAY

**Environmental Reviews:** None



**Grantee Activity Number:** 1b  
**Activity Title:** Redevelopment LH25

**Activity Type:**  
 Rehabilitation/reconstruction of residential structures

**Project Number:**  
 01

**Projected Start Date:**  
 05/31/2011

**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:**  
 Redevelopment

**Projected End Date:**  
 12/31/2013

**Project Draw Block Date by HUD:**

**Activity Draw Block Date by HUD:**

**Total Budget:** \$ 440,720.00

**Most Impacted and Distressed Budget:** \$ 0.00

**Other Funds:** \$ 0.00

**Total Funds:** \$ 440,720.00

**Benefit Report Type:**  
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Renter Households	2	2		100.00
# Owner Households				0.0
# of Households	2	2		100.00

Proposed Accomplishments	Total
# of Singlefamily Units	
# of Multifamily Units	2
# of Housing Units	2
# of Substantially Rehabilitated Units	
# ELI Households (0-30% AMI)	
Activity funds eligible for DREF (Ike Only)	
#Units $\zeta$ other green	
#Units deconstructed	
#Sites re-used	1
#Units exceeding Energy Star	2
#Units with bus/rail access	2
#Low flow showerheads	2
#Low flow toilets	2
#Units with solar panels	
#Dishwashers replaced	





#Clothes washers replaced	
#Refrigerators replaced	
#Light fixtures (outdoors) replaced	
#Light Fixtures (indoors) replaced	
#Replaced hot water heaters	
#Replaced thermostats	
#Efficient AC added/replaced	2
#High efficiency heating plants	
#Additional Attic/Roof Insulation	
#Energy Star Replacement Windows	
# of Properties	1

**Activity is being carried out by Grantee:**

No

**Activity is being carried out through:**

**Organization carrying out Activity:**

City of Kissimmee

**Proposed budgets for organizations carrying out Activity:**

Responsible Organization	Organization Type	Proposed Budget
City of Kissimmee	Local Government	\$ 440,720.00

**Location Description:**

Central Kissimmee Target Area

New construction of a duplex consisting of two 4-bedroom, 2-bath units to be donated to the City's non-profit partner to be offered as long-term, affordable rental housing for very low/low income households.

**Activity Description:**

ALL multi-family units will be rental.

In the heart of our community stands a number of abandoned and foreclosed structures that once existed as the support hotel/motel industry for surrounding theme parks. As these hotels and motels lose their stronghold on the tourism market, many have fallen into disrepair and some are a danger to the community. And the hotels and motels that are still operational? Unfortunately they house a large number of families who have lost their homes due to the foreclosure crisis. Many of the Osceola County School District's children are living in these hotels unable to find affordable housing in the City. The City would like to partner with a developer and rehabilitate a foreclosed hotel and provide affordable rental units for the neediest families in Osceola County.

The City would like to issue a Request for Qualifications and ask developers to submit a plan to renovate one of these hotels or motels utilizing the entire NSP3 allocation. Once a developer is selected, they will be given a period of time to secure the additional funding needed to complete the project. If they are able secure this funding, they will be formally awarded the full allocation to conduct the acquisition and rehabilitation of the property.

Because the City will only be providing partial funding for the project, not all units will be required to remain affordable. In the context of sustainable development, the City will require a mixture of income levels. This will enable the developer to sustain the project for the duration of the affordability period. This will help to ensure a stable inventory of affordable rental units in our community for 15 years.

This activity represents the 25% set aside. While the activity is the same, the end user will be limited to a household earning less than 50% of the Area Median Income.

**Environmental Assessment:** COMPLETED



Environmental Reviews: None

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**Project # / Title: 02 / Administration**

**Grantee Activity Number: 02**  
**Activity Title: Administration**

**Activity Type:**

Administration

**Project Number:**

02

**Projected Start Date:**

04/15/2011

**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:**

Administration

**Projected End Date:**

12/01/2013

**Project Draw Block Date by HUD:**

**Activity Draw Block Date by HUD:**

**Total Budget:** \$ 113,229.90

**Most Impacted and Distressed Budget:** \$ 0.00

**Other Funds:** \$ 0.00

**Total Funds:** \$ 113,229.90



**Activity is being carried out by Grantee:**

Yes

**Activity is being carried out through:**

Grantee Employees

**Organization carrying out Activity:**

City of Kissimmee

**Proposed budgets for organizations carrying out Activity:**

Responsible Organization	Organization Type	Proposed Budget
City of Kissimmee	Local Government	\$ 113,229.90

**Location Description:**

N/A

**Activity Description:**

General administration of grant and project

**Environmental Assessment:** EXEMPT

**Environmental Reviews:** None

**Action Plan Comments:**

- Reviewer - Action Plan rejected because the 25% set aside requirement will not be met. Within their application, the national objective for Activity 1 was both LMMI and LH25, but this is not reflected in the AP. Therefore, it appears that the 25% set aside requirement will not be met.
- Reviewer - Rejected AP on 4/8/11, so that activity descriptions could be updated.
- Reviewer - 4/19/11: AP reviewed and approved.
- Reviewer - Rejected, grantee is making modifications to Activity 1b. sk 9/6/13
- Reviewer - action plan modification is rejected, the grantee is directed to adjust projects to include all of the budget to include program funds plus program income.
- Reviewer - Action Plan approved for budget adjustment for program income.
- Reviewer - all flags listed must be corrected by revising the activity end dates by the next submission of the QPR.



## Action Plan History

Version	Date
B-11-MN-12-0012 AP#1	04/19/2011
B-11-MN-12-0012 AP#2	09/06/2013
B-11-MN-12-0012 AP#3	02/20/2014
B-11-MN-12-0012 AP#4	02/20/2018

