

# Action Plan

**Grantee:** Lauderhill, FL

**Grant:** B-11-MN-12-0014

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<b>LOCCS Authorized Amount:</b>	\$ 1,500,609.00
<b>Grant Award Amount:</b>	\$ 1,500,609.00
<b>Status:</b>	Reviewed and Approved
<b>Estimated PI/RL Funds:</b>	\$ 0.00
<b>Total Budget:</b>	\$ 1,500,609.00

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## Funding Sources

**No Funding Sources Found**

## Narratives

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

The City of Lauderhill will utilize funds for individuals and families earning no greater than 120 percent AMI and also to include 25 percent of the funds to assist individuals and families earning no greater than 50 percent AMI to acquire rehabilitate or redevelop and resale 30 or more housing units to stabilize the foreclosure crisis.

### How Fund Use Addresses Market Conditions:

The activity is designed to address the abundance of vacant and foreclosed properties in the City by facilitating purchase by qualified moderate and middle income buyers with conventional, FHA and other approved loan products with responsible lending guidelines. It will address the market demand for quality affordable housing.

### Ensuring Continued Affordability:

The City of Lauderhill will utilize the affordability requirements of HUD Federal Programs for prescribing the periods of continued affordability for NSP assisted activities.

#### Homeownership Programs:

Subsidy/Assistance Amount	Period of Affordability
Less than \$15,000/unit	5 years
\$15,000 to \$40,000/unit	10 years
\$40,000 and above	15 years

#### Rental Programs:

Subsidy/Assistance Amount	Period of Affordability
Less than \$15,000/unit	5 years
\$15,000 to \$40,000/unit	10 years
\$40,000 and above	15 years
New Construction	20 years

For both rental and homeownership programs utilizing NSP funds, the City of Lauderhill will utilize mortgages and restrictive covenants to ensure continued affordability of NSP assisted housing. Any funds recaptured from NSP activities will be administered consistent with the requirements of NSP3.

### Definition of Blighted Structure:

In context of local law, the City of Lauderhill law does not define the term "blighted structure." For the purposes of the NSP program, any building that meets the City of Lauderhill's definition of "Unsafe Structures" will qualify as a blighted structure. Local law defines an "Unsafe Structure" as follows: "Buildings or structures that are unsafe, unsanitary or deficient in adequate



facilitates for means of egress, or which constitute a fire or windstorm hazard, or illegal or improper use, occupancy or maintenance, or which do not comply with the provisions of the minimum housing standards, or which have been substantially damaged by the elements, acts of God, fire, explosion or otherwise, shall be deemed unsafe buildings and a permit shall be obtained to demolish the structure or bring the building to comply with the applicable codes." This definition falls within the HUD definition of "blighted structure," which is as follows: A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare.

**Definition of Affordable Rents:**

Rents that do not exceed 30 percent of gross household for families earning 50 percent AMI as determined by HUD with adjustments for number of bedrooms in the unit as more particularly described in 24 CFR Part 92.252.b.1. The maximum Affordable Rents shall not exceed the Fair Market Rents (FMR) as published annually by the U.S. Department of Housing and Urban Development for the Fort Lauderdale, FL Metropolitan Statistical Area (MSA).

**Housing Rehabilitation/New Construction Standards:**

All housing rehabilitation activities assisted by the NSP funds will meet federal Housing Quality Standards guidelines and City of Lauderhill building codes. Energy or conservation improvements and modern green building improvements will be included. Rehabilitation, to the extent applicable, will include replacement of older obsolete products and appliances with Energy Star-46 labeled products and will meet the standard for Energy Star Qualified Homes. Water efficient toilets, showers, and faucets will be installed where these items are replaces. All housing will be upgraded for hurricane mitigation to the extent practical.

**Vicinity Hiring:**

To the maximum extent possible, the City will utilize Section 3 guidelines to hire people/businesses from the local vicinity to carry out any aspect of this activity should the need arise for additional employees or contractors.

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

Rental units will be rented to low income families whose income does not exceed 50% of HUD's AMI adjusted for family size. At least 25% of initial funding will benefit 50% of the AMI or below. It is anticipated that 15 units will be resold for homeownership for 51% - 120% AMI. Because the need for affordable rental units are minimal, the City of Lauderhill will provide at least 5 units to meet the needs of low income families whose income does not exceed 50% of HUD's AMI adjusted for family size. At least 25% of initial funding will benefit 50% of the AMI or below. It is anticipated that 5 units are anticipated to be utilized as rentals for 50% and below AMI.

**Grantee Contact Information:**

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**Project Summary**

Project #	Project Title	Grantee Activity #	Activity Title
9999	Restricted Balance		<i>No activities in this project</i>
ADM-1	Administration	ADM-1	Program Administration
ARS-1	Aquisition and Rehabilitation	ARS-1	Acquisition and Rehabilitation (51% - 120% AMI)
ARS-2	Acquisition & Rehabilitation	ARS-2	Acquisition and Rehabilitation (50% or less AMI)
DEM-1	Demolition of Foreclosed Properties	DEM-1	Demolition of Foreclosed Properties
FIN-1	Purchase Assistance (51% - 120%	FIN-1	Purchase Assistance (51% - 120% AMI)
FIN-2	Purchase Assistance (50% or less		<i>No activities in this project</i>



# Activities

**Project # / Title:** ADM-1 / Administration

**Grantee Activity Number:** ADM-1  
**Activity Title:** Program Administration

**Activity Type:**

Administration

**Project Number:**

ADM-1

**Projected Start Date:**

05/01/2011

**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)

**Environmental Assessment:**

EXEMPT

**Benefit Report Type:**

NA

**Activity Status:**

Under Way

**Project Title:**

Administration

**Projected End Date:**

03/10/2014

**Project Draw Block Date by HUD:**

**Activity Draw Block Date by HUD:**

**Total Budget:** \$ 150,000.00

**Other Funds** \$ 0.00

**Total Funds** \$ 150,000.00

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

Yes

**Activity is being carried out through:**

Grantee Employees

**Organization carrying out Activity:**

City of Lauderhill2

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

**Responsible Organization**

City of Lauderhill2

**Organization Type**

Local Government

**Proposed**

\$ 150,000.00

**Location Description:**



The City's NSP Priority 1, 2 and 3 census tracts all of which have 19 or 20 need scores.

**Activity Description:**

Administrative duties relative to the overall grant program and fair housing activities. This activity is assumed to benefit low and moderate income persons and is eligible under 24 CFR section 570.206.

**Project # / Title: ARS-1 / Aquisition and Rehabilitation**

**Grantee Activity Number: ARS-1**  
**Activity Title: Acquisition and Rehabilitation (51% - 120% AMI)**

**Activitiy Type:**

Acquisition - general

**Project Number:**

ARS-1

**Projected Start Date:**

05/01/2011

**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

**Environmental Assessment:**

UNDERWAY

**Benefit Report Type:**

Direct (Households)

**Activity Status:**

Under Way

**Project Title:**

Aquisition and Rehabilitation

**Projected End Date:**

03/10/2014

**Project Draw Block Date by HUD:**

**Activity Draw Block Date by HUD:**

**Total Budget:** \$ 595,190.15

**Other Funds** \$ 0.00

**Total Funds** \$ 595,190.15

**Proposed Beneficiaries**

	<b>Total</b>	<b>Low</b>	<b>Mod</b>	<b>Low/Mod%</b>
<b># of Owner Households</b>	15		15	100.00
<b># of Households</b>	15		15	100.00

**Proposed Accomplishments**

	<b>Total</b>
<b># of Singlefamily Units</b>	10
<b># of Housing Units</b>	10



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

No

**Activity is being carried out through:**

**Organization carrying out Activity:**

City of Lauderhill2

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

Responsible Organization	Organization Type	Proposed
City of Lauderhill2	Local Government	\$ 952,954.02

**Location Description:**

The City's NSP Priority 1, 2 and 3 census tracts all of which have 19 or 20 need scores.

**Activity Description:**

The City plans to purchase and rehabilitate foreclosed or vacant homes and provide them for resale or rent to eligible clients using a grantee-driven homeownership program where buyers purchase from the city and a buyer-driven homeownership program where eligible buyers can purchase from the lender a foreclosed home that does not need substantial repair. Deferred interest-free mortgages will be provided to assist in making the home affordable.

Rental units will be rented to low income families whose income does not exceed 50 percent of HUD's AMI for family size. At least 25 percent of initial funding will benefit 50 percent of the AMI or below. It is anticipated that 15 units will be resole for homeownership for 50 - 120 percent AMI.

No resident displacement or relocation will take place with this activity as all homes purchased must be vacant.

**Project # / Title: ARS-2 / Acquisition & Rehabilitation**

**Grantee Activity Number: ARS-2**  
**Activity Title: Acquisition and Rehabilitation (50% or less AMI)**

**Activitiy Type:**  
Acquisition - general

**Activity Status:**  
Under Way

**Project Number:**  
ARS-2

**Project Title:**  
Acquisition & Rehabilitation

**Projected Start Date:**  
05/01/2011

**Projected End Date:**  
04/30/2014

**Project Draw Block by HUD:**  
Not Blocked

**Project Draw Block Date by HUD:**



**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.

**Environmental Assessment:**

UNDERWAY

**Benefit Report Type:**

Direct (Households)

**Activity Draw Block Date by HUD:**

**Total Budget:**

\$ 375,152.25

**Other Funds**

\$ 0.00

**Total Funds**

\$ 375,152.25

**Proposed Beneficiaries**

# Owner Households

**Total**

**Low**

**Mod**

**Low/Mod%**

5

5

100.00

# of Households

5

5

100.00

**Proposed Accomplishments**

# of Singlefamily Units

**Total**

5

# of Housing Units

5

# of Properties

5

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

No

**Activity is being carried out through:**

**Organization carrying out Activity:**

City of Lauderhill2

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

**Responsible Organization**

City of Lauderhill2

**Organization Type**

Local Government

**Proposed**

\$ 200,000.00

**Location Description:**

The City's NSP Priority 1, 2 and 3 census tracts all of which have 19 or 20 need scores.

**Activity Description:**

The City plans to purchase and rehabilitate foreclosed or vacant homes and provide them for resale or rent to eligible clients using a grantee-driven homeownership program where buyers purchase from the City and a buyer-driven homeownership program where eligible buyers can purchase from the lender a foreclosed home that does not need substantial repair. Deferred interest-free mortgages will be provided to assist in making the homes affordable.

The State of Florida is one of the top states hit with rises in unemployment and comparatively the City of Lauderhill's unemployment also continues to rise. However, falling home values, high subprime rates and this recent rise in unemployment has substantially contributed to our foreclosure crises making a down-payment assistant program the most likely effective strategy. While the high foreclosure rates may have spurred an increase in the rental market, the City has adequate affordable rental units. According to US 2005-2009 census data there are 24,389 housing units of which 38.4% are rentals. Additionally, 40 percent are paying less than 30 percent of household



income toward rent. Because the need for affordable rental units are minimal, the City of Lauderhill will provide at least 5 units to meet the needs of low income families whose income does not exceed 50% of HUD's AMI adjusted for family size. At least 25 percent of initial funding will benefit 50 percent of the AMI or below. It is anticipated that 5 units are anticipated to be utilized as rentals for 50 percent and below AMI.

**Project # / Title: DEM-1 / Demolition of Foreclosed Properties**

**Grantee Activity Number: DEM-1**  
**Activity Title: Demolition of Foreclosed Properties**

**Activity Type:**  
 Clearance and Demolition

**Project Number:**  
 DEM-1

**Projected Start Date:**  
 05/01/2011

**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

**Environmental Assessment:**  
 UNDERWAY

**Benefit Report Type:**  
 Area Benefit (Census)

**Activity Status:**  
 Planned

**Project Title:**  
 Demolition of Foreclosed Properties

**Projected End Date:**  
 03/10/2014

**Project Draw Block Date by HUD:**

**Activity Draw Block Date by HUD:**

**Total Budget:** \$ 100,609.00  
**Other Funds:** \$ 0.00  
**Total Funds:** \$ 100,609.00

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# of Persons	63105	21076	14562	56.47

Proposed Accomplishments	Total
# of Singlefamily Units	3
# of Housing Units	3
# of Properties	3

<b>LMI%:</b>	56.47
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**Activity is being carried out by Grantee:**

No

**Activity is being carried out through:**

**Organization carrying out Activity:**

City of Lauderhill2

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

Responsible Organization	Organization Type	Proposed
City of Lauderhill2	Local Government	\$ 100,609.00

**Location Description:**

The City's Priority 1, 2 and 3 census tracts all of which have 19 or 20 need scores.

**Activity Description:**

At no point is it contemplated to exceed the 10% limit for demolition activities included for NSP3 funding.

The City of Lauderhill has identified the potential need for demolition of blighted properties within the NSP3 focused areas of greatest need. Recent field visits note there are structures within NSP3 focused areas of greatest need which met the definition of "blighted structure" in the context of the definitions section of this document as well as state or local law. The NSP3 focused areas of greatest need also exhibit a very high HUD Foreclosure Need score (20), high percentage of subprime mortgages issued between 2004 and 2007 (up to 65%). The City of Lauderhill plans to demolish blighted properties in order to facilitate new residential development for LMMI individuals or families by nonprofit developers of Redevelopment Agency. Analysis of properties will be conducted on a case-by-case basis regarding eligibility for demolition versus purchase and rehabilitation of the property. Likewise, properties will only be demolished when construction of LMMI housing on the subject property is reasonably foreseeable. In some cases, properties may be eligible for HOME Partnership Program or Redevelopment funding to assist in site redevelopment. Preference will be given for sites that may be redeveloped with LMMI rental housing; however, the City will also consider sites that may be suitable for redevelopment with affordable ownership housing on a limited basis. The City will ensure NSP3-assisted units meet affordability requirements in accordance with 24 CFR 92.252(a), (c), (e), and (f) and 92.254. The affordability requirements will apply without regards to the term of any loan or mortgage or the transfer of ownership. They will be imposed by deed restrictions, covenants running with the land, or other mechanisms approved by HUD, except that the affordability restrictions may terminate upon foreclosure or transfer in lieu of foreclosure. Any agreement with nonprofit developers will also include such affordability restrictions. The City does not intend to demolish or convert any low- and moderate income dwelling units under this activity. For clearance activities, a range of interest rates is not applicable since these funds will be used for demolition and not acquisition financing. Any contracts or agreements for demolition of property will be subject to HUD Section 3 regulations for new hires. Likewise, contractors will be required to make efforts to market any new jobs associated with demolition contracts within the "vicinity" of the project site(s) as described in NSP3.

**Project # / Title: FIN-1 / Purchase Assistance (51% - 120% AMI)**

**Grantee Activity Number: FIN-1**

**Activity Title: Purchase Assistance (51% - 120% AMI)**

**Activity Type:**

Homeownership Assistance to low- and moderate-income

**Activity Status:**

Under Way

**Project Number:**

FIN-1

**Projected Start Date:**

05/01/2011

**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

**Environmental Assessment:**

UNDERWAY

**Benefit Report Type:**

Direct (Households)

**Project Title:**

Purchase Assistance (51% - 120% AMI)

**Projected End Date:**

03/10/2014

**Project Draw Block Date by HUD:****Activity Draw Block Date by HUD:****Total Budget:**

\$ 279,657.60

**Other Funds**

\$ 0.00

**Total Funds**

\$ 279,657.60

**Proposed Beneficiaries**

## # Owner Households

**Total**

8

**Low****Mod**

8

**Low/Mod%**

100.00

## # of Households

8

8

100.00

**Proposed Accomplishments**

## # of Singlefamily Units

**Total**

8

## # of Housing Units

8

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

No

**Activity is being carried out through:****Organization carrying out Activity:**

City of Lauderhill2

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

City of Lauderhill2

**Organization Type**

Local Government

**Proposed**

\$ 279,657.60

**Location Description:**

The City's NSP Priority 1, 2 and 3 census tracts all of which have 19 or 20 need scores.

### **Activity Description:**

#### **Financing Mechanism 51 - 120% AMI**

This activity sets aside funds for households at 51 - 120 percent of the area median income (AMI).

Applicants will locate an abandoned and/or foreclosed unit upon residential property within City limits then obtain pre-qualification from their lender who has agreed to comply with established underwriting criteria that outlines responsible lending guidelines and sets limitations on fees. Lending programs are prime, FHA or portfolio loans used to meet the lenders Community Reinvestment Act goals. Applicants are responsible for the upfront fee required by lenders in the form of a money order or cashier's check. The City of Lauderhill inspects the property to ensure compliance with housing standards and underwrites loan based on all financial commitments provided to homeowner. The City will process applications on a first-come, first-ready, first-serve basis taking into consideration any pre-established priority based on the "areas of greatest need" assessment. If the City of Lauderhill inspector determines that the property has a code violation(s) and/or is not meeting the safe, sound, and sanitary standards, then the property must be purchased and rehabilitated through a City program before the owner can occupy. To enforce long-term affordability standards, the City will employ recapture provisions.

#### **Eligible Properties**

Single-family detached homes, condos, townhomes and villas that are foreclosed upon and vacant are eligible to be purchased with NSP assistance. NSP requires that the property must be at least 60 days delinquent on its mortgage and the owner has been notified; or under state or local law, foreclosure proceedings have been initiated or complete; or foreclosure proceedings have been completed and title has been transferred to an intermediary aggregator to servicer that is not an NSP grantee, sub recipient, developer or end user. The City will allow the purchase of properties that meet HUD's 1% discount requirement.

#### **Eligible Applicants**

The eligible applicants will be homebuyers selected in the order in which they applied to the program and will be assisted on a first-qualified, first-served basis. The household income must be 120% or less of HUD's Area Median Income adjusted for family size and the buyer must be able to afford a monthly payment based on income and debt. The buyer must not hold title to another residential property at the time of closing.

#### **Homeownership Counseling**

Certificate of 8-hour homeownership counseling completion is required prior to loan closing and must occur with HUD approved counseling.

with housing standards and underwrites loan based on all financial commitments provided to homeowner. The City will process applications on a first-come, first-ready, first-serve basis taking into consideration any pre-established priority based on the "areas of greatest need" assessment. If the City of Lauderhill inspector determines that the property has a code violation(s) and/or is not meeting the safe, sound, and sanitary standards, then the property must be purchased and rehabilitated through a City program before the owner can occupy.

#### **Eligible Properties**

Single-family detached homes, condos, town homes and villas that are foreclosed upon and vacant are eligible to be purchased with NSP assistance. NSP requires that property must be at least 60 days delinquent on its mortgage and the owner has been notified; or the property owner is 90 days or more delinquent on tax payments; or under state or local law, foreclosure proceedings have been initiated or completed; or foreclosure proceedings have been initiated or completed; or foreclosure proceedings have been completed and title has been transferred to an intermediary aggregator or servicer that is not an NSP grantee, sub recipient, developer, or end user. The City will allow the purchase of properties that meet HUD's/NSP property eligibility requirements which must also meet HUD's 1% discount requirement.

#### **Eligible Applicants**

The eligible applicants will be homebuyers selected in the order in which they applied to the program and will be assisted in a first-qualified, first-served basis. The household income must be 120% or less of HUD's Area Median Income adjusted for family size and the buyer must be able to afford a monthly payment based on income and debt. The buyer must not hold title to another residential property at the time of closing.

#### **Homeownership Counseling**

Certificate of 8-hour homeownership counseling completion is requires prior to loan closing and must occur with HUD approved counseling agencies.

## Action Plan Comments:

- Reviewer - Grantee must complete all information required in narrative fields and submit updated Action Plan.
- Reviewer - Action Plan changes approved - 4/20/2011.
- Reviewer - Grantee moved \$77,801.77 from Activity # FIN-1 and \$175,152.25 from Activity # FIN-2 to Activity ARS-1. MW 04/16/13
- Reviewer - No changes were made to the action plan.

## Action Plan History

Version	Date
B-11-MN-12-0014 AP#1	05/02/2016
B-11-MN-12-0014 AP#2	05/01/2014
B-11-MN-12-0014 AP#3	04/16/2013
B-11-MN-12-0014 AP#4	04/20/2011

