

Action Plan

Grantee: Paulding County, GA

Grant: B-11-UN-13-0009

LOCCS Authorized Amount:	\$ 1,372,214.00
Grant Award Amount:	\$ 1,372,214.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 1,365,777.07
Total Budget:	\$ 2,737,991.07

Funding Sources

Funding Source	Funding Type
Neighborhood Stabilization Program	Program Income
Neighborhood Stabilization Program	Other Federal Funds

Narratives

Summary of Distribution and Uses of NSP Funds:

As referenced in Section A - "Areas of Greatest Need", Paulding County will utilize two target "screens" to ensure that the requirements of Section 2301 (c)(2) of HERA are met. The first method will be to distribute funds in the areas identified by the HUD "Foreclosure and Abandonment Risk Score" data. These risk scores have identified those neighborhoods within Paulding County with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a sub-prime mortgage related loan, and properties identified by the Paulding County as likely to face a significant rise in the rate of home foreclosures. The Abbreviated action plan includes maps which identify specific census tracts where these three stipulated needs categories actually exist. In an effort to meet the requirement of addressing at least 20 percent of the "hisk-risk" inventory within a specific census tract, Paulding County will investigate the priority areas to determine which property owners utilized a sub-prime mortgage, and through the utilization of the Superior Court and Planning Departments, these properties will be given high priority to ascertain if they are within the scope of the NSP guidelines and if they can be acquired with the targeted discounted rates as defined in the NSP3 regulations. As a HUD Non-Entitlement Local Government NSP3 recipient, Paulding County received an initial award of \$1,372,214. Paulding County will meet the goal of expending at least half of our NSP3 allocation within the first two (2) years and the entire award within three (3) years. The following table lists the specific NSP3 eligible activities that will take place: Units Low Income Below 50% AMI Moderate Income 51-80% AMI Middle Income 81-120% AMI Total Property Acquisition 8 \$255,000 \$300,000 \$230,000 \$785,000 Rehabilitation 8 \$90,000 \$90,000 \$40,000 \$220,000 Downpayment Assistance 12 \$100,000 \$75,000 \$20,000 \$195,000 Soft Costs 8 \$13,122 \$13,122 \$8,748 \$34,992 Administration \$137,222 Total \$1,372,214 Area Median Income (AMI) is determined by HUD. See <http://www.dca.ga.gov/communities/CDBG/programs/nsp.asp> to view the 2010 State of Georgia Income Limits. Paulding County will reserve Downpayment Assistance Loans for each of the eight (8) properties that will be targeted for acquisition during the initial allocation. In addition, Paulding County has reserved funds to assist four (4) additional qualified DPA participants who might purchase eligible foreclosed properties which are not part of Paulding County's NSP3 inventory. Paulding County will engage qualified asset management firm(s) to acquire and rehabilitate properties located within Paulding County's areas of greatest need. Qualified asset management firm(s) will adhere to the NSP3 requirements of acquiring eligible real estate owned properties and other foreclosed properties by performing necessary due diligence; by makintoperties; by providing HUD approved housing counseling services; by marketing the NSP3 and available properties; and by administering financial mechanisms such as downpayment assistance and soft second loans. To accomplish these requirements, Paulding County will use specific strategies that include: Property Acquisition Paulding County will identify vacant properties that are located within the areas of greatest needs as is identified within section A of this document. Single family real estate owned properties will be targeted, however, other available and foreclosed properties will be considered based on priority areas. Other property considerations will include multifamily - apartments, townhomes, and duplexes – as well as blighted, abandoned, and dilapidated structures as described below. Financial Mechanisms In an



effort to make properties more available to families and individuals whose annual household income is

How Fund Use Addresses Market Conditions:

Response:

HUD performed an assessment of all census tracts throughout the United States to create a foreclosure need score which is comprised of 1) the number of foreclosed properties 2) the number of subprime related mortgages and 3) areas that are likely to experience and high number of foreclosures. Each census tract was assigned a foreclosure risk score of 1-20 based on the aforementioned factors. The areas receiving the highest scores are considered the areas of greatest needs. HUD created a national and statewide average foreclosure score. The State of Georgia is determined to have an average foreclosure need score of 17.

Considering this information, Paulding County utilized the HUD NSP3 mapping system to chart foreclosure risk scores for each census tract. Paulding County foreclosure risk scores ranged from 14-20. Based on the requirement to address areas which were determined to have the most critical need according to the NSP3 mapping system, Paulding County recommends that our NSP3 efforts will be concentrated in the following Census tracts:

1202 (16) - If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

1203 (17)

1204 (17)

1205 (17)

1206 (18)

Ensuring Continued Affordability:

Long Term Affordability - Homeownership

Paulding County will require NSP3 projects to follow the affordability requirements for the HOME program as is set forth in HUD regulation 24 CFR. 92.254 for homeownership housing. All NSP3 assisted units must meet the minimum 5 to 15 year affordability period. The affordability requirements apply without regard to the term of any loan or mortgage or the transfer of ownership. NSP3 Downpayment Assistance loan documents including a subordinate deed to secure debt, loan agreement and/or note will be used to enforce the required period of affordability. The affordability restrictions may terminate upon foreclosure or transfer in lieu of foreclosure. Paulding County may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure or deed in lieu of foreclosure to preserve affordability.

For homeownership, the Paulding County NSP3 plans to utilize the "Recapture Method" as defined by 24 CFR 92.254 (5) (ii) through liens on each property to ensure that the homeowner cannot reap a windfall profit.

The following "Recapture" options will apply:

i). Paulding County may recapture the entire amount of the NSP3 investment from the homeowner.

ii). Paulding County may reduce the NSP3 investment amount to be recaptured on a prorata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period.

All NSP3 funds will be recaptured if NSP3 homeowners should sell their homes before the time period of designated "Continued Affordability" expires. By utilizing these "Recapture" methods, homeowners will have less incentive to sell their homes during the "Continued Affordability" time period. In other words, with the proposed Recapture options, the Paulding County NSP3 will have adequate mechanisms in place to keep NSP3 assisted homes affordable throughout the period of affordability and to protect Paulding County's investment in this program.

Example: for Recapture method ii – Prorata Share

The Paulding County NSP3 Investment is \$150,000

The Affordability Period is 15 years

The Prorata basis is \$10,000 per year, meaning that the NSP3 investment to the purchaser will be forgiven 1/15 for each year that the purchaser occupies the home.

The grantee is subject to the limitation that when the recapture requirement is triggered by a sale (voluntary or involuntary) of the housing unit, and there are no net proceeds or the net proceeds are insufficient to repay the NSP3 investment due, the grantee can only recapture the net proceeds, if any. The net proceeds are the sales price minus superior loan repayment (other than NSP3 funds) and any closing costs.

Definition of Blighted Structure:

For the purposes of the NSP3, Paulding County will comply with the State of Georgia Definition of "blighted structure." Pursuant to O.C.G.A. 22-1-1 "blighted," or "blight" means any urbanized or developed property which: (A) Presents two or more of the following conditions: (i) Uninhabitable, unsafe, or abandoned structures; (ii) Inadequate provisions for ventilation, light, air, or sanitation; (iii) An imminent harm to life or other property caused by fire, flood, hurricane, tornado, earthquake, storm, or other natural catastrophe respecting which the Governor has declared a state of emergency under state law or has certified the need for disaster assistance under federal law; provided, however, this division shall not apply to property unless the relevant public agency has given notice in writing to the property owner regarding specific harm caused by the property and the owner has failed to take reasonable measures to remedy the harm; (iv) A site identified by the federal Environmental Protection Agency as a Superfund site pursuant to 42 U.S.C. Section 9601, et seq., or environmental contamination to an extent that requires remedial investigation or a feasibility study; (v) Repeated illegal activity on the individual property of which the property owner knew or should have known; or (vi) The maintenance of the property is below state, county, or municipal codes for at least one year after notice of the code violation; and (B) Is conducive to ill health, transmission of disease, infant mortality, or crime in the immediate proximity of the property.



Definition of Affordable Rents:

The Paulding County NSP3 will address "affordable rents" by adhering to the HUD HOME program guidelines as set forth in 24 CFR 92.252 for rental housing. All rental housing affordability restrictions will be imposed by deed restrictions which will be monitored by the HUD approved housing counseling agency to which the program participant is assigned.

Housing Rehabilitation/New Construction Standards:

The Paulding County NSP3 strategy will focus on the acquisition and rehabilitation of Real Estate Owned (REO) single family houses. Paulding County will also consider the acquisition of vacant foreclosed and or abandoned properties whereby we will construct new single or multi-family (3 stories or less) affordable units. Regarding construction codes and energy efficiency the following standards shall apply:
Codes

All Paulding County NSP3 rehabilitation and new construction projects will meet applicable regulations in accordance with Minimum Standard Georgia Building Codes including:

- a) <http://www.dca.state.ga.us/development/constructioncodes/programs/codes2.asp> as well as all locally adopted codes
- b) International Residential Building Code 2009
- c) 24 CFR Part 35 as related to lead-based paint
- d) Federal and state accessibility requirements including but not limited to those associated with the use of federal funds.

Gut rehabilitation and new construction homes up to three stories will meet the Energy Star Qualified Homes Standard. Cosmetic rehabilitation materials (e.g. windows, doors, appliances, etc...) will be replaced with Energy Star-46 labeled products. The standard Paulding County NSP3 rehab specifications will also require the replacement of toilets, showers and faucets with WaterSense (or equivalent) labeled products.

Vicinity Hiring:

To the maximum extent feasible, the county will provide for the hiring of employees who reside in the vicinity of NSP3 projects or contract with small businesses that are owned and operated by persons residing in the vicinity of such project, including information on existing local ordinances that address these requirements.

Procedures for Preferences for Affordable Rental Dev.:

Not Applicable

Grantee Contact Information:

Paulding County - Chuck Rann, Community Development Director-- (770) 443-7601, crann@paulding.gov
Northwest Georgia Regional Commission, Michael M. Miller NSP Manager - (706) 295-6485, mmiller@nwgrc.org

Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
001-B/014A-B LMMH	Acquisition & Rehab LMMH	001-A-LMMH	Acquisition LH25
		14A-B-LMMH	Rehabilitation LH25
001-B/14A-B LMMI	Acquisition & Rehabilitation LMMI	001-B-LMMI	Acquisition LMMI
		14A-B-LMMI	Rehabilitation
013A-B LMMH/I	Financial Mechanisms	013-A-LMMH	Downpayment Assistance LH25
		013-A-LMMI	Downpayment Assistance LMMI
21-A-X	Administration	21-A-X	Administration
9999	Restricted Balance	<i>No activities in this project</i>	



Activities

Project # / 001-B/014A-B LMMH / Acquisition & Rehab LMMH

Grantee Activity Number: 001-A-LMMH
Activity Title: Acquisition LH25

Activity Type:
 Acquisition - general

Project Number:
 001-B/014A-B LMMH

Projected Start Date:
 03/01/2011

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:
 Acquisition & Rehab LMMH

Projected End Date:
 03/31/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 509,296.32

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 509,296.32

Total Funds: \$ 1,018,592.64

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Owner Households	3	3		100.00
# of Households	3	3		100.00
# of Permanent Jobs Created				0.0

Proposed Accomplishments

	Total
# of Singlefamily Units	3
# of Housing Units	3
# of Parcels acquired voluntarily	2
# of Properties	3



Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Northwest Georgia Regional Commission

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Northwest Georgia Regional Commission

Organization Type

Local Government

Proposed Budget

\$ 509,296.32

Funding Source Name

Neighborhood Stabilization Program

Matching Funds

No

Funding Amount

\$ 353,992.00

Neighborhood Stabilization Program Income

No

\$ 155,304.32

Location Description:

Paulding County Census Tracts
1203, 1204, 1205, 1206

Activity Description:

Acquisition LMMH

Environmental Assessment: UNDERWAY

Environmental None



Grantee Activity Number: 14A-B-LMMH
Activity Title: Rehabilitation LH25

Activity Type:
 Rehabilitation/reconstruction of residential structures

Project Number:
 001-B/014A-B LMMH

Projected Start Date:
 03/01/2011

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.

Benefit Report Type:
 Direct (Households)

Activity Status:
 Under Way

Project Title:
 Acquisition & Rehab LMMH

Projected End Date:
 03/31/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 403,512.99

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 403,549.42

Total Funds: \$ 807,062.41

Proposed Beneficiaries

Owner Households

of Households

Total	Low	Mod	Low/Mod%
3			0.00
3			0.00

Proposed Accomplishments

of Singlefamily Units

of Housing Units

Total
3
3

Activity is being carried out by
 No

Activity is being carried out through:

Organization carrying out Activity:
 Northwest Georgia Regional Commission

Proposed budgets for organizations carrying out Activity:

Responsible Organization
 Northwest Georgia Regional Commission

Organization Type	Proposed Budget
Local Government	\$ 403,512.99

Funding Source Name
 Neighborhood Stabilization Program

Matching Funds	Funding Amount
No	\$ 26,356.43



Neighborhood Stabilization Program Income

No

\$ 377,192.99

Location Description:

Paulding County Census Tracts
1203, 1204, 1205, 1206

Activity Description:

Rehabilitation LMMH

Environmental Assessment: UNDERWAY

Environmental None

Project # / 001-B/14A-B LMMI / Acquisition & Rehabilitation LMMI

Grantee Activity Number: 001-B-LMMI
Activity Title: Acquisition LMMI

Activity Type:
Acquisition - general

Project Number:
001-B/14A-B LMMI

Projected Start Date:
02/28/2011

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:

Acquisition & Rehabilitation LMMI

Projected End Date:

03/13/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 847,522.67

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

Other Funds: \$ 1,300,875.28

Total Funds: \$ 2,148,397.95



Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Owner Households	5		5	100.00
# of Households	5		5	100.00
# of Permanent Jobs Created				0.0

Proposed Accomplishments

	Total
# of Singlefamily Units	5
# of Housing Units	5
# of Properties	5

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Northwest Georgia Regional Commission

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Northwest Georgia Regional Commission

Organization Type

Local Government

Proposed Budget

\$ 847,522.67

Funding Source Name

Neighborhood Stabilization Program Income

Matching Funds

No

Funding Amount

\$ 746,419.18

Neighborhood Stabilization Program

No

\$ 554,456.10

Location Description:

Paulding County Census Tracts
1203, 1204, 1205, 1206

Activity Description:

Acquisition of LMML

Environmental Assessment: UNDERWAY

Environmental None



Grantee Activity Number: 14A-B-LMMI
Activity Title: Rehabilitation

Activity Type:
 Rehabilitation/reconstruction of residential structures

Project Number:
 001-B/14A-B LMMI

Projected Start Date:
 02/28/2011

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:
 Acquisition & Rehabilitation LMMI

Projected End Date:
 03/30/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 453,352.61

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 433,563.19

Total Funds: \$ 886,915.80

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	5		5	100.00
# of Households	5		5	100.00

Proposed Accomplishments	Total
# of Singlefamily Units	5
# of Housing Units	5

Activity is being carried out by
 No

Activity is being carried out through:

Organization carrying out Activity:
 Northwest Georgia Regional Commission

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
Northwest Georgia Regional Commission	Local Government	\$ 453,352.61
Funding Source Name	Matching Funds	Funding Amount
Neighborhood Stabilization Program	No	\$ 215,205.31

Neighborhood Stabilization Program Income

No

\$ 218,357.88

Location Description:

Paulding County
1203, 1204, 1205, 1206

Activity Description:

Rehabilitation LMMI

Environmental Assessment: UNDERWAY

Environmental None

Project # / 013A-B LMMH/I / Financial Mechanisms

Grantee Activity Number: 013-A-LMMH
Activity Title: Downpayment Assistance LH25

Activity Type:
Homeownership Assistance to low- and moderate-income

Project Number:
013A-B LMMH/I

Projected Start Date:
03/01/2011

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.

Benefit Report Type:
Direct (Households)

Activity Status:
Under Way

Project Title:
Financial Mechanisms

Projected End Date:
03/31/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 50,000.00
Most Impacted and Distressed Budget: \$ 0.00
Other Funds: \$ 50,000.00
Total Funds: \$ 100,000.00



Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Owner Households	5	5		100.00
# of Households	5	5		100.00

Proposed Accomplishments

	Total
# of Singlefamily Units	5
# of Housing Units	5

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Northwest Georgia Regional Commission

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Northwest Georgia Regional Commission

Organization Type

Local Government

Proposed Budget

\$ 50,000.00

Funding Source Name

Neighborhood Stabilization Program

Matching Funds

No

Funding Amount

\$ 25,000.00

Neighborhood Stabilization Program Income

No

\$ 25,000.00

Location Description:

Paulding County Census Tracts
1203, 1204, 1205, 1206

Activity Description:

Downpayment Assistance LMMH

Environmental Assessment: EXEMPT

Environmental None



Grantee Activity Number: 013-A-LMMI
Activity Title: Downpayment Assistance LMMI

Activity Type:
 Homeownership Assistance to low- and moderate-income

Project Number:
 013A-B LMMH/I

Projected Start Date:
 03/01/2011

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

Activity Status:
 Under Way

Project Title:
 Financial Mechanisms

Projected End Date:
 03/14/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 90,343.90

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 103,957.77

Total Funds: \$ 194,301.67

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	8			0.00
# of Households	8			0.00

Proposed Accomplishments	Total
# of Singlefamily Units	8
# of Housing Units	8

Activity is being carried out by
 No

Activity is being carried out through:

Organization carrying out Activity:
 Northwest Georgia Regional Commission

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
Northwest Georgia Regional Commission	Local Government	\$ 103,957.77
Funding Source Name	Matching Funds	Funding Amount
Neighborhood Stabilization Program Income	No	\$ 48,957.77



Neighborhood Stabilization Program

No

\$ 55,000.00

Location Description:

Paulding County Census Tracts
1203, 1204, 1205, 1206

Activity Description:

Downpayment Assistance LMMI

Environmental Assessment: EXEMPT

Environmental None

Project # / 21-A-X / Administration

Grantee Activity Number: 21-A-X
Activity Title: Administration

Activity Type:

Administration

Project Number:

21-A-X

Projected Start Date:

02/28/2011

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)

Activity Status:

Under Way

Project Title:

Administration

Projected End Date:

03/30/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 273,799.11

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 273,799.11

Total Funds: \$ 547,598.22

Benefit Report Type:

NA



Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Northwest Georgia Regional Commission

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Northwest Georgia Regional Commission

Organization Type

Local Government

Proposed Budget

\$ 273,799.11

Funding Source Name

Neighborhood Stabilization Program Income

Matching Funds

No

Funding Amount

\$ 136,577.71

Neighborhood Stabilization Program

No

\$ 137,221.40

Location Description:

Administration

Activity Description:

General Planning and Administrative Costs

Environmental Assessment: EXEMPT

Environmental None

Action Plan Comments:

Mclver, Submitted in error/ should have been the QPR 5.1.2013



Action Plan History

Version	Date
B-11-UN-13-0009 AP#1	11/04/2011
B-11-UN-13-0009 AP#2	05/01/2013
B-11-UN-13-0009 AP#3	02/03/2014
B-11-UN-13-0009 AP#4	05/23/2014
B-11-UN-13-0009 AP#5	10/30/2014
B-11-UN-13-0009 AP#6	01/30/2015
B-11-UN-13-0009 AP#7	07/08/2015
B-11-UN-13-0009 AP#8	01/27/2016
B-11-UN-13-0009 AP#9	10/31/2016
B-11-UN-13-0009 AP#10	02/01/2018
B-11-UN-13-0009 AP#11	04/30/2019
B-11-UN-13-0009 AP#12	11/04/2019
B-11-UN-13-0009 AP#13	07/30/2020
B-11-UN-13-0009 AP#14	08/05/2020
B-11-UN-13-0009 AP#15	08/06/2020

