#### **AMENDMENT #3 TO THE NSP3 SUBSTANTIAL AMENDMENT**

#### **NOVEMBER 12, 2013**

Jurisdiction(s): City of Moreno Valley

**Jurisdiction Web Address:** 

http://www.moval.org/resident\_services/

housing/index housing.shtml

Mailing Address:

14177 Frederick St.

Moreno Valley, CA 92553

**NSP Contacts:** 

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Grant Number: B-11-MN-06-0513

# I. Amendment to Area(s) of Greatest Need

Given the recent direction provided by HUD that Target Areas may be defined irrespective of Impact Scores, the City of Moreno Valley is amending the current NSP3 Action Plan to redefine the existing Target Areas as follows:

- Target Area 1: Sunnymead Blvd., Frederick St., Dracaea Ave., and Heacock St.
- Target Area 2: Kitching St., Eucalyptus Ave., Bay Ave., and Morrison St.
- Target Area 3: Frederick St., Cottonwood Ave., Indian St., and Alessandro Blvd.
- Target Area 4: Heacock St., Cold Springs, Parkland Ave., and Mark Twain St.
- Target Area 5: Indian St., Cactus Ave., Lasselle St., Gentian Ave., Margaret Ave., and Chelbana Wy.
- Target Area 6: Edgemont Area Irregularly bounded by Frederick St., Alessandro Blvd., Cottonwood Ave., Day St., Eucalyptus Ave.
- Target Area 7: Heacock St., Dracaea Ave., Perris Blvd., and Fir Ave.
- Target Area 8: Rojo Tierra, Cremello Wy., and Lasselle St.
- Target Area 9: Pigeon Pass Rd., Swan St., Graham St., and Ironwood Ave.

As with many markets across the nation, the Moreno Valley real estate market has experienced a drastic shift affecting the availability of inventory eligible for acquisition through the NSP3 Program. Consequently, the City has eliminated previously identified, non-performing Target Areas and redefined the boundaries of areas that have proven to have greater acquisition opportunities. The newly defined Target Areas reflect regions of Moreno Valley staff has

been able to acquire FHA REOs via the National Community Stabilization Trust's First-Look program.

## II. Amendment to Activity Budgets

Incorporated in Amendment# 2 of the NSP3 Program, the City modified the activity allocation schedule, to assist with the focused long-term revitalization plan proposed for the area of the City identified as the Edgemont. Due to its lack of infrastructure, underdevelopment in some areas, and its inability to be developed in other areas, the City intended to leverage NSP funds and other funding sources to address some of the short and long-term economic and housing development challenges. Since the current condition of the Edgemont area is not conducive to development, the City's long-term plan included acquiring properties through the NSP3 Program and land banking them for future redevelopment. Unfortunately, acquisition opportunities have proven themselves to be limited and/or non-existent in the Edgemont Area; thus, monies allocated towards the Demolition and Land Banking activities are being reallocated.

A slight increase of performance has been experienced, staff has been able to successfully acquire multiple single-family residential properties in various areas throughout the city. Additionally, the City has recently formulated a partnership with Habitat for Humanity-Riverside to construct a new subdivision of single-family homes that will create ownership opportunities to families earning up to 50% AMI. Consequently, the activity budgets are being adjusted to reflect the activities with greatest performance, namely, SFR-ARR, MFR-ARR and Redevelopment.

Below is a summary of the activity budget adjustments:

NSP BUDGET	Current Activity Allocations	Activity Allocation Adjustments
NSP3 Total Grant	<u>\$3,687,789</u>	<u>\$3,687,789</u>
NSP3-Activity 1, Single-Family Residential Acq./Rehabilitation/Resale (SFR-ARR)	\$897,063	\$1,554,010
NSP3-Activity 2, Multi-Family Residential Acq./Rehabilitation/Rental (MFR-ARR)	\$871,947	\$465,000
NSP3-Activity 3, Neighborhood Stabilization Homeownership Program (NSHP)*	\$100,000	\$0
NSP3-Activity 4, Demolition	\$200,000	\$0
NSP3-Activity 5, Land banking	\$950,000	\$0
NSP3-Activity 6, Redevelopment	\$300,000	\$1,300,000
NSP3 Administration Cap (10%)	\$368,779	\$368,779
Total Proposed Grant Allocations**	\$3,687,789	\$3,687,789

### III. Public Comment

A Public Notice was advertised in the Press-Enterprise newspaper on October 12, 2013. Public comments were accepted until 4 p.m. on November 12, 2013. All comments may be submitted via email at NP@moval.org, phone at (951) 413-3450, or fax at (951) 413-3459.

## VI. Summary to Public Comments Received

No public comments were provided.

### VII. Certifications

- (1) Affirmatively furthering Fair Housing. The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
- (2) **Anti-lobbying**. The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- (3) Authority of Jurisdiction. The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
- (4) Consistency with Plan. The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.
- (5) Acquisition and Relocation. The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP program published by HUD.
- (6) **Section 3**. The jurisdiction will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- (7) **Citizen Participation**. The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.
- (8) Following Plan. The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.
- (9) Use of Funds in 3 years. The jurisdiction certifies that it will comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act and Title XII of Division A of the American Recovery and Reinvestment Act of 2009 by spending 50

percent of its grant funds within 2 years, and spending 100 percent within 3 years of receipt of the grant.

- (10) Use NSP Funds ≤ 120% of AMI. The jurisdiction will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120% of area median income.
- (11) Assessments. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.
- (12) Excessive Force. The jurisdiction certifies that it has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.
- (13) Compliance with Anti-discrimination Laws. The NSP grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.
- (14) Compliance with Lead-based Paint Procedures. The activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

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(15) Compliance with Laws. The jurisdiction will comply with applicable laws.

John Terell

Community Economic Development Director

City of Moreno Valley

# Census\_TraBlkGroups\_ForeclosureRisk\_City NSP1\_3\_8.5x11\_2013.mxd Geographic Information in: State Plane NAD 83 California Zone 6 Feet City of Moreno Valley will not be held responsible for any claims, for display purposes only and should not be relied upon without The information shown on this map was compiled from the Riverside County GIS and the City of Moreno Valley G:\ArcMap\NeighborhoodPreservation\ Geographic Information System Map Produced by Moreno Valley osses or damages resulting from the use of this map ndependent verification as to its accuracy. Riverside County and GIS. The land base and facility information on this map is 422 12 5,000 425.04 425.06 422 II2 1422:144 RD 2 MARS RD GM PASS RD 422,14 10,000 Miles 424.09 425:12 424.05 2 424.06 2 425.14 424 JE 2 425.08 425.10 425 07 424.07 (C) 60 424.04 1 2 B 425.21 BAY AVE 425.19 PERRIS BLVD 426 05 424.03 2 426.05 3 426.05 5 225<u>47</u> 426.02<sup>3</sup> 426.05 B 424.02 1 424.02 2 426.05 2 424n2 426 06 424,01 City of Moreno Valley NSP 1 & 3 Target Areas 42604 1 **NSP Target Areas** ZZZ Eligible for NSP 3 ... Census Block Groups Eligible for NSP 1 Census Tracts Not Eligible for NSP 1 or NSP 3 Not Eligible for NSP 1 MORENO

\* The data reflected on this map was provided by the U.S. Department of Housing and Urban Development. The City of Moreon Vallev does not accent resconsibility for the data

WHERE DREAMS SOAR

NSP 3- TARGET AREAS CENSUS TRACTS/BLOCK GROUPS						
Target Area	Program Activities	Boundaries	Census Tract(s)	Block Group(s)	Map of Target Area	
#1	SFR-ARR, MFR-ARR, Demolition, Redevelopment, Land Banking, Homebuyer Assistance	Sunnymead Blvd, Frederick Street, Dracaea Ave., and Heacock St.	425.13 425.14	1-3 1-2		
#2	SFR-ARR, MFR-ARR, Demolition, Redevelopment, Land Banking, Homebuyer Assistance	Kitching St., Eucalyptus Ave., Bay Ave., and Morrison St.	425.22 425.23 426.06	1-2 1 2		
#3	SFR-ARR, MFR-ARR, Demolition, Redevelopment, Land Banking, Homebuyer Assistance	Frederick St., Cottonwood Ave., Indian st., and Alessandro Blvd.	425.11 425.12 425.16	1 2 1		
#4	SFR-ARR, MFR-ARR, Demolition, Redevelopment, Land Banking, Homebuyer Assistance	Heacock St., Cold Springs, Parkland Ave., and Mark Twain St.	424.09	2		
#5	SFR-ARR, MFR-ARR, Demolition, Redevelopment, Land Banking, Homebuyer Assistance	Indian St., Cactus Ave., Lasselle St., Gentian Ave., Margaret Ave., and Chelbana Wy.	425.07 425.09 425.17 425.18 426.05	1-2 2 1 1 3,6		
#6	SFR-ARR, MFR-ARR, Demolition, Redevelopment, Land Banking, Homebuyer Assistance	Edgemont Area- Irregularly bounded by Frederick St., Alessandro Blvd., Cottonwood Ave., Day St., Eucalyptus Ave.	425.04 425.05 425.06	1 1-2 1-2		
#7	SFR-ARR, MFR-ARR, Demolition, Redevelopment, Land Banking, Homebuyer Assistance	Heacock St., Dracaea Ave., Perris Blvd., and Fir Ave.	425.15 425.19 425.21	1-2 1 1		
#8	SFR-ARR, MFR-ARR, Demolition, Redevelopment, Land Banking, Homebuyer Assistance	Rojo Tierra, Cremello Wy., and Lasselle St.	426.05	1		
#9	SFR-ARR, MFR-ARR, Demolition, Redevelopment, Land Banking, Homebuyer Assistance	Pigeon Pass Rd., Swan St., Graham St., and Ironwood Ave.	424.06 424.09	1 1-2		