

LIBBY – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	Lincoln County	Name	
	418 Mineral Avenue	Mailing Address	
	Libby, MT. 59923	City, State, Zip Code	
	406-293-7781 X212	Telephone Number	
	ksmith@libby.org	Email	
Intended Partner (Developer) Information	Community Action Partnership of Northwest Montana	Name	
	A Private Not-for-Profit Community Action Agency, CHDO, and CDC.	Type of Entity	
	P. O. Box 8300	Mailing Address	
	214 Main Street, Kalispell, Montana 59904-8300	City, State, Zip Code	
	406-752-6565	Telephone Number	
	mmcclary@kalhrdc.mt.gov	Email	
Activity Name	Acquisition and Rehabilitation of foreclosed and abandoned homes; Demolition		
Intended Uses	Select all that apply:		
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>	Eligible Use C: Land Banking	
	<input checked="" type="checkbox"/>	Eligible Use D: Demolition	
	<input type="checkbox"/>	Eligible Use E: Redevelopment	
National Objective	Low, Moderate, and Middle Income		
Program Types	Grantee Driven Homeownership		
Location Description	Libby (see attached maps for census tract information)		
Intended Project Beneficiaries	25% is estimated to serve low income households		
	2	# Units will Serve 0% -50% AMI	
	4	# Units will Serve 51% -120% AMI	
	6	TOTAL # of Units	
	\$ 450,000	Amount of funds set-aside to serve 0% - 50% AMI	
	\$1,050,000	Amount of funds set-aside to serve 51% - 120% AMI	
\$1,500,000	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding		Dollar Amount
	MDOC - NSP3		\$1,500,000
	(Other funding source)		\$
	(Other funding source)		\$

Total Budget for Activity	\$1,500,000
Current Site Status	Foreclosed, bank owned, vacant, and possible demolition of blighted homes (scattered sites)
Projected Start Date	As soon is funding is available.
Projected End Date	Three years from start date or whatever date is mandated by MDOC.
Activity Description	See Part 2 below

Parts 2 & 3

Community Action Partnership (CAP) formerly Northwest Montana Human Resources (NMHR)), in partnership with the City of Libby and Lincoln County, will combine NSP eligible activities A and B to acquire foreclosed homes, place them in the Northwest Montana Community Land Trust (NWMCLT), sell, and oversee minor rehabilitation if needed. The public-private partnership will address a portion of the affordable housing needs in Libby. (See attached excerpt from the City of Libby Growth Plan). There has been discussion at the County Commissioner and City Council level concerning the CLT model as it gains popularity and usefulness in Montana and across the United States. Kristin Smith, Director of Planning for Lincoln County contacted Marney McCleary at CAP and asked if we might assist Libby in acquiring foreclosed and abandoned homes, rehabilitating them, and after placing them in the Trust, selling them to low income first time homebuyers. She also inquired about the removal of blighted homes and reconstruction of new homes to be placed in the Trust. The community land trust model offers one of the best mechanisms for the provision of permanent housing affordability and thus allows for the best stewardship of public and private dollars. We believe the economy and the marketplace in Libby and Lincoln County will provide a viable climate for this affordable homeownership model. There were 127 recorded Notice of Trustee Sales between January 1, 2010 and December 31, 2010, and the median home price was \$115,000. The unemployment rate was 18% in January 2011.

The HUD Neighborhood NSP3 Score is 15.92 for Libby. State Minimum threshold NSP Score is 10. Total Housing Units in the Neighborhood is 1,099 (close to my number).

According to the US Census, as of 2000, Lincoln County has a total area of 3, 675 square miles and a population base of 18,837. The density is 5/square mile. The total population of Libby is 2,626. Total households equal 1,132. The low and moderate income percent is 55.9 (less than 120%), with 16.3 percent of the population at the poverty level. The area median income in Lincoln County for a 4 person household is \$27,100. These figures are supportive for the land trust model and for affordability of a land trust home to individuals and families at 50% of AMI or less, as well as those at 50%-120% of AMI. HUD guidance for a change in home value and vacancy due to falling home values, a recent spike in unemployment, and a relatively low vacancy rate is to provide down payment assistance or subsidy, which is entirely plausible and part of CAP's strategy for the NWMCLT.

HUD's foreclosure estimates do not totally agree with those numbers that I found but I have listed them below.

- Total Housing Units to receive a mortgage between 2004 and 2007: 152
- Percent of Housing units with a high cost mortgage between 2004 and 2007: 20.78
- Percent of Housing Units 90 or more days delinquent or in foreclosure:10.35
- Number of Foreclosure Starts in past year: 12
- Number of Housing Units Real estate Owned July 2009 to June 2010:6
- Estimated Number of properties needed to make an impact in identified target area (20% of REO in past year): 3

The expected benefit to these income-qualified households is affordable homeownership. New homebuyers will be prepared for successful homeownership by their required participation in First Time Homebuyer Classes, pre-and post-purchase counseling,

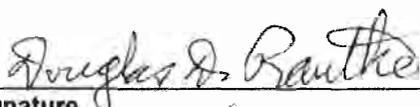
credit counseling, and CLT education and guidance. CAP will provide that education to those interested families as well. CAP currently has an office in Libby and educational outreach is feasible with NSP funding for travel. The families will also build increased assets through the CLT model of homeownership. The home is sold at below market price and the re-sale restriction (according to a re-sale formula) insures affordability of the home in perpetuity. The ground under the home stays in the CLT and is leased to the tenured homeowner under a 99 year renewable ground lease held by the CLT. The benefit of scattered sites within this small community is that affordable homeownership in a CLT will have a great impact on the neighborhood; especially in the case of recent foreclosures and their varied locations in Libby.

After successfully completing the largest portion of the NSP 1 effort in the City of Kalispell (acquisition and rehabilitation of 16 homes), CAP staff has the experience with the overall NSP program and its goals to assist Libby with NSP 3 funding and its implementation. CAP staff would utilize the knowledge gained; the professional teams that have been put in place (staff, home inspector, contractor pool, accounting practices, acquisition and rehabilitation process, and program protocol with our partners at the MDOC level).

The NWMCLT has been formed and the board meets regularly. The ground lease has been approved and staff is working to complete the education curriculum and marketing procedures. CAP would like to continue to build the NWMCLT with the addition of 6 more homes in Libby so that we can meet the mission of the MWMTCLT and assist first time homebuyers and the City of Libby to attain their goals of affordable housing. This opportunity will once again give more rural individuals and families the chance to realize the dream of affordable homeownership.

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature

EXECUTIVE DIRECTOR

Title

2/8/11

Date

Housing

Libby values and considers the protection and enhancement of its existing residential neighborhoods a high priority. Some of the established housing stock has been poorly maintained over time and needs renovation and maintenance.

About 90% of Libby's housing stock consists of single-family homes, and multi-family units make up almost 10% of the inventory. At the time of the 2000 Census, 87 out of 1281 single-family homes were occupied by renters (6.7%). About one in every 20 homes is a manufactured home, or just over 5% of the housing stock. The number of housing units of all types in the City has increased in the 10-year period between 1990 and 2000; single-family homes have shown the smallest increase and manufactured homes the largest. The number of single-family homes increased by 12% between 1990 and 2000.

Libby's population has increased by approximately 13% since 1990. The number of households and housing units has increased at a slightly higher rate. This trend mirrors demographic, economic, and cultural shifts, such as smaller households (often created by divorce, death of a spouse, loss of employment or other family situations), which pushes demand for more housing units. The average household size in 1990 was 2.4 residents per household. In 2000 the average household size was 2.2. Declining household sizes reflect a national demographic trend. In particular, as the "baby boomer" generation ages, given the vast numbers of boomers who are now approaching their golden years, it creates a bigger gap between young and old. Many of the baby boomers wish to "age in place," meaning that they are often relocating to a less expensive housing market for retirement, but intend to remain independent through housing and communities that are oriented towards the needs of an older but active population. This also creates a greater demand for more, but smaller, housing units. The larger homes suited to young, growing families are no longer appropriate for retirees seeking to maximize their free time and minimize home and grounds maintenance.

Neighborhood Quality

The Montana Department of Commerce - Housing Division conducts a periodic "Housing Condition Study" to collect information in support of the Montana Consolidated Plan for housing. The purpose of the study is to evaluate the current stock of housing in Montana and better understand what type of housing structures are available to rent and purchase. The data was compiled from the database of buildings in Montana that is maintained by the Montana Department of Revenue (see Table 1). The appraiser gives single family homes a rating that describes the condition of the dwelling. The following is a summary for Libby:

Table 1 Housing Conditions

Rating	Libby
Unsound	10
Poor	48
Fair	206
Average	1,568
Good	2
Excellent	2
TOTAL	1,834

However, for the three-year period between 2007 and 2009 the City issued 99 residential building permits for a total valuation of \$2,481,993.

Neighborhood concerns include the following:

- Adequate maintenance for a high proportion of single family housing units used for rental housing
- Housing maintenance in neighborhoods where stock averages 50 years or older
- Property maintenance in neighborhoods dominated by rental properties
- Lack of neighborhood organization and civic engagement. Although Libby's neighborhoods have distinct identities in the minds of most people, there is little evidence of neighborhood organization and cohesion.
- High household mobility, particularly between low- and moderate-income areas, where higher proportions of residents may move frequently in order to stay "one step ahead of the bills." The impact of frequent moves upon school performance (and the future workforce) is well documented. High mobility erodes neighborhood cohesion and therefore efforts to improve blighted areas.
- Protection from commercial encroachment is of concern, as areas become targeted for redevelopment and infill. The preservation of neighborhood character has a high priority in Libby.

New neighborhoods should mirror the character of the older neighborhoods with provisions for open space and recreation, while offering a range of housing choices.

Current Housing Supply

Housing supply is typically measured in the number of months it would take to sell all the homes currently available for sale, if no new listings were added. A 4- to 6-month supply is considered normal or desirable. There are multiple homes on nearly every street in Libby that have been listed for more than a year. This would appear to suggest an ample supply of housing. As of the 2000 census, the vacancy rate for rental units in Libby was 6%.

This Growth Policy has been developed using an annual growth rate of 1.0% applied over its 20-year horizon. The 2009 population of Libby is estimated at 2,880 people. By 2030, it is projected to grow to 3,456. Projected growth in population and households will require approximately 261 more housing units within Libby. Development on quarter-acre lots would require 124 acres within the Libby PAB, not including additional land needed for associated infrastructure, difficult-to-develop sites, and additional land for housing units to allow for a healthy vacancy rate “cushion,” typically about 5% of supply.

The need for new housing units can be met by using three basic strategies:

- annexing vacant land from the PAB into the city as it becomes “ripe” for development;
- encouraging redevelopment and infill of vacant lots within existing residential neighborhoods; and
- increasing density in some land use districts.

Use of the three strategies listed above will ensure a more efficient use of land as it becomes more of a diminishing resource, but each strategy must not lose focus on the importance of new housing that fits within the context of community character. There are many new housing products and options available that may fit within the local context, as described below.

Significant strategies for new housing growth include the following:

- Upper story residential in the downtown with pedestrian access to essential services and facilities. Housing in the downtown core could provide alternatives such as live/work housing, units for smaller households, or housing for those desiring nearby services and transit.
- Increasing density in existing residential areas offers another strategy to increase the housing stock. One tool to accomplish this would involve code revisions to allow dividing relatively large lots into smaller residential parcels. Another approach involves redevelopment of an area, typically resulting in higher residential density, and often, but not always, within a mixed-use development.

Housing Affordability

As with many areas across the state, personal income growth has trailed housing price growth in Libby and Lincoln County, and there had been an unprecedented increase in housing prices for owner-occupied housing over the past few years. The estimated median household income in Lincoln County in 2008 was \$33,383¹. The median advertised home price in Libby for a 3-bedroom home in 2010 is \$142,789². This represents a gap of at least 30% in affordability for owner-occupied houses. However,

¹ U.S. Census Bureau, Small Area Income and Poverty Estimates

² MT Dept of Commerce Economic and Demographic Analysis of Montana – Volume III, Housing Profile, February 2007.

rental housing prices suggest that the average renter must earn \$8.56 per hour to afford a two-bedroom apartment or house at fair market rent, which was advertised as \$457 in 2006³. Since the economic recession began in 2008 housing prices appear to have stabilized and perhaps dropped.

A look at Lincoln County Per Capita Income in comparison to Montana and the nation is provided below in Table 2.

Table 2: Lincoln County Per Capita Income in comparison to Montana & Nation⁴

Year	U.S.	Montana	Montana as % of National Average	Lincoln County	Lincoln County as % of National Average
1980	\$10,114	\$9,058	90%	\$7,341	73%
1990	\$19,477	\$15,448	79%	\$13,023	67%
2000	\$29,845	\$22,929	77%	\$17,783	60%
2008	\$40,166	\$34,622	86%	\$27,191	68%

Total personal income represents all sources of income, including salaries, wages, retirement and pension distributions, rental income, and other sources of income (see Table 3).

Table 3: Lincoln County Income by Source - 1980 to 2008⁵

Source of Income	1980	1990	2008
Net Earnings (Wages)	70.3%	64.0%	49.0%
Dividends, Interest & Rent	14.4%	16.4%	20.0%
Transfer Payments (Social Security, Pensions, Disability, etc.)	15.3%	19.6%	30.9%

There is a need in Libby and Lincoln County for an organization whose primary responsibility would be to work toward providing affordable housing for low to moderate income people. Since there has not been a more local lead agency, affordable housing units are not only hard to find but no one is working specifically and directly at this time to increase the number of them. There is also a need for rental housing that accommodates both large and very small households and which is affordable for the average annual income levels of the citizens of Libby.

³ Ibid

⁴ U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, Table CA1-3 – Per Capita Personal Income

⁵ U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, Table CA04 – County income and employment summary

Tract Number	30053000200
Tract NSP3 Need Score	16
State Minimum Qualifying NSP3 Score	10
HMDA Mortgages 2004 to 2007	182
Estimated Delinquent Mortgages (%)	10.4
Total USPS Residential Addresses	1346
USPS Residential Addresses Vacant 90+ days	106
USPS Residential Addresses NoStat	130

Tract Number	30053000300
Tract NSP3 Need Score	13
State Minimum Qualifying NSP3 Score	10
HMDA Mortgages 2004 to 2007	268
Estimated Delinquent Mortgages (%)	8.6
Total USPS Residential Addresses	2966
USPS Residential Addresses Vacant 90+ days	3
USPS Residential Addresses NoStat	1184

Tract Number	30053000500
Tract NSP3 Need Score	14
State Minimum Qualifying NSP3 Score	10
HMDA Mortgages 2004 to 2007	240
Estimated Delinquent Mortgages (%)	8.8
Total USPS Residential Addresses	1936
USPS Residential Addresses Vacant 90+ days	0
USPS Residential Addresses NoStat	293

Tract Number	30053000100
Tract NSP3 Need Score	11
State Minimum Qualifying NSP3 Score	10
HMDA Mortgages 2004 to 2007	261
Estimated Delinquent Mortgages (%)	7.4
Total USPS Residential Addresses	3111
USPS Residential Addresses Vacant 90+ days	4
USPS Residential Addresses NoStat	613

Tract Number	30089000200
Tract NSP3 Need Score	13
State Minimum Qualifying NSP3 Score	10
HMDA Mortgages 2004 to 2007	551
Estimated Delinquent Mortgages (%)	8.1
Total USPS Residential Addresses	2057
USPS Residential Addresses Vacant 90+ days	0
USPS Residential Addresses NoStat	471

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Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities.

Enter an Address, city or state Go

Select a State Selected a County Go

Map Options Clear / Reset

Click Mode: Zoom | Info

NSP3 Legend (%) Tract Outline

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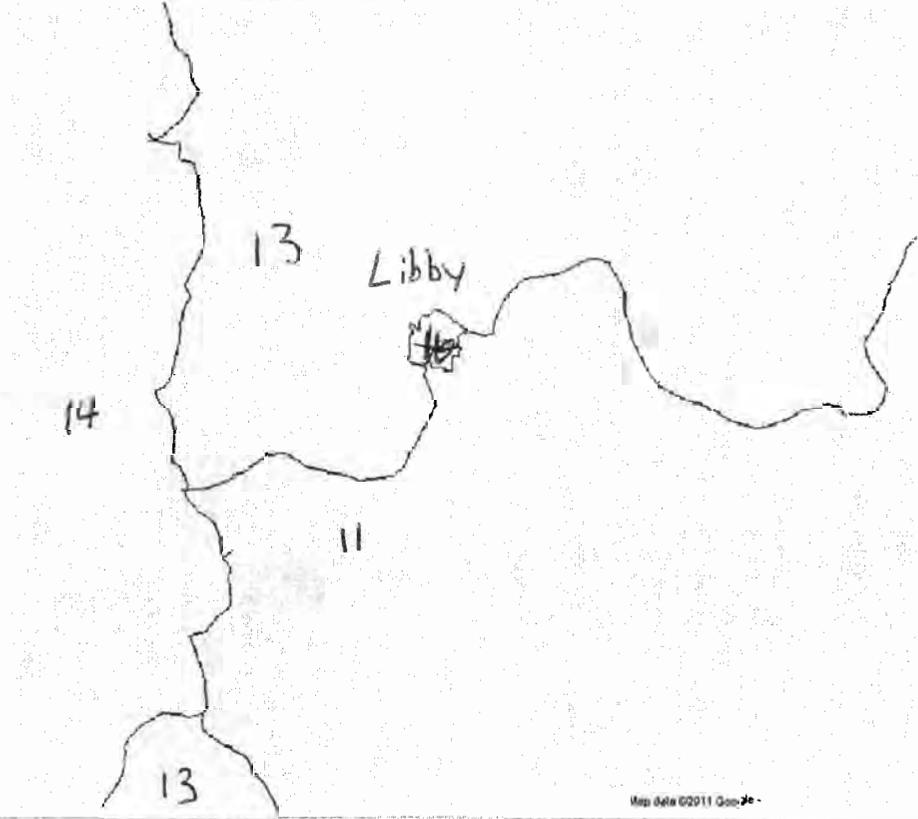
NSP3 Options

Current Zoom Level

Show Tracts Outline (Zoom 11+)

METHODOLOGY INSTRUCTIONS

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to look carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.

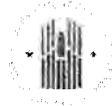


Map Data ©2011 GeoEye

Lincoln County, Montana

Tract Numbers: 30053000200, 30053000300, 30053000100, 30053000500, 30089000200

HUD USER GIS MAPS 2011



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Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities.

Enter an Address, city or state

Montana

Flathead

Map Options: Clear | Reset

Map Mode: Zoom | Info

NSP3 Legend [v]

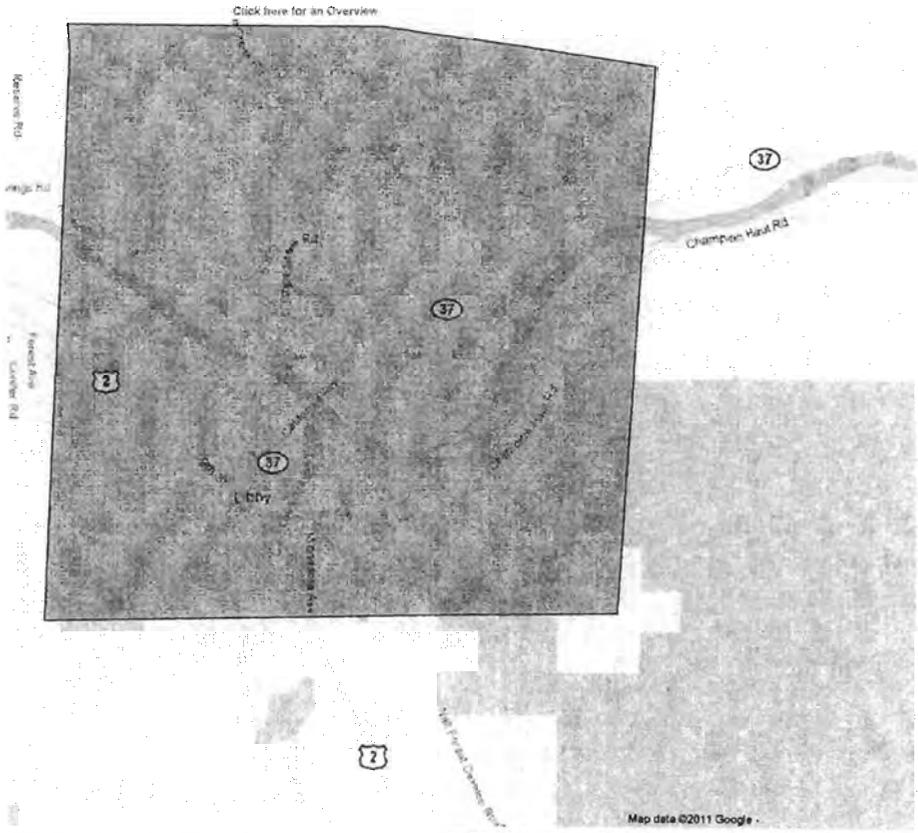
Tract Outline

NSP3 Options

13 Current Zoom Level

Show Tract Outline (Zoom 11+)

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Map data ©2011 Google

TUESDAY, FEBRUARY 08, 2011



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Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities.

Enter an Address, city or state

Select a State Select a County

Map Options : Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%): Tract Outline

[Click here for an Overview](#)

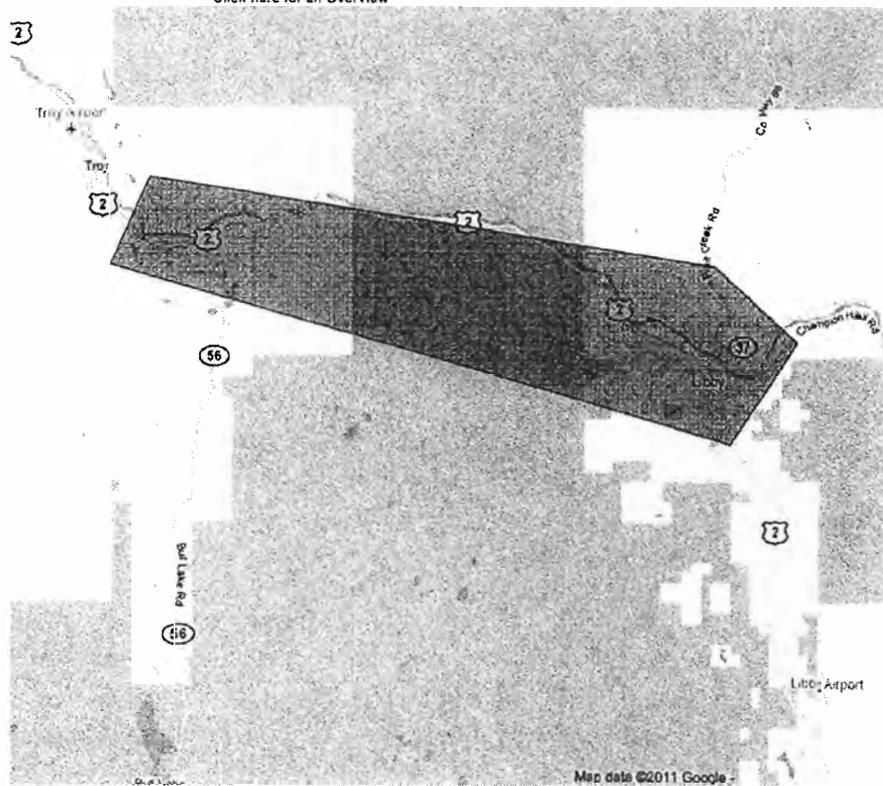
NSP3 Options

Current Zoom Level

Show Tracts Outline(Zoom 11+)

[METHODOLOGY](#) [INSTRUCTIONS](#)

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Libby-Troy

RONAN & PABLO – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	Lake County	Name	
	106 4 th Ave E	Mailing Address	
	Polson MT 59860	City, State, Zip Code	
	406-883-7204	Telephone Number	
	lakecommissioners@lakemt.gov	Email	
Intended Partner (Developer) Information	Lake County Community Housing	Name	
	CHDO 501c3	Type of Entity	
	PO Box 146	Mailing Address	
	Ronan MT 59864	City, State, Zip Code	
	406-676-5900	Telephone Number	
	janw@ronan.net	Email	
Activity Name	(Enter the name of Activity)		
Intended Uses	Select all that apply:		
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>	Eligible Use C: Land Banking	
	<input type="checkbox"/>	Eligible Use D: Demolition	
	<input type="checkbox"/> Eligible Use E: Redevelopment		
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)		
Program Types	(Please select from one of the identified Program Types from Section D) Grantee purchases, rehabs and initiates a rent to own program on scattered sites in Ronan and Pablo Montana		
Location Description	Tract Number 300479112364150940500 and 300479112356350940400 NSP3 Need Score 14 & 15 State Minimum Qualifying NSP3 Score 10 HMDA Mortgages 2004 to 2007 96 & 55 Estimated Delinquent Mortgages (%) 10 & 8.9		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	100% is estimated to serve low income households		
	1	# Units will Serve 0% -50% AMI	
	4	# Units will Serve 51% -120% AMI	
	5	TOTAL # of Units	
	Amount of funds set-aside to serve 0% - 50% AMI		
	Amount of funds set-aside to serve 51% - 120% AMI		
	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding	Dollar Amount	
	MDOC - NSP3	\$375,000	
	Bank Financing	\$250,000	
Total Budget for Activity	\$625,000		
Current Site Status	Bank Owned		

Projected Start Date	10-1-2011
Projected End Date	
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2
Please provide brief description of proposed project:

The housing market in Lake County has been severely impacted by recent recession. Plum Creek mill closed Two years ago eliminating over 90 good paying jobs and the housing construction industry contracted. Housing sales are slow with 30% of the homes on the market for over a year with many at two and three years and those that are selling sell at a 20% discount to the list price. Buyers are both afraid that their jobs are next to go and wait with the idea that housing prices are going lower.

This project proposes to purchase five bank owned or foreclosed homes priced at less than \$125,000 in the Ronan and Pablo area, rehabilitate if needed and lease the homes on a rent to own program. This will relieve some of the pressure of too many listed homes and give reluctant buyers an opportunity to weather the worst of the economic downturn and be ready to purchase the home they are living in when they are more confident.

1. Preliminary Market Analysis

Attached is brief market analysis competed last year for a rental housing application as an exhibit. The following address the home real estate issues of the current market:

- There are currently 59 units for sale between the communities of Ronan and Pablo Montana, of these 35 are priced at below \$175,000; 18 of those are less than \$125,000 and 9 are less than \$100,000.
- 31 units sold last year at a list to sales discount of about 20%, this compares to two years ago when there were 50 sales at a discount of less than 5%.
- 20 of the houses for sale have been on the market for more than a year
- Based on the number of units for sale and the 31 sales last year the absorption rate is 98 weeks.
- Six of the listed properties are bank owned and two are a short sale with the owners willing to assume debt to get out from under their house.
- The current number of Lake County foreclosures 70, in the target area 8.
- HUD estimated delinquency and foreclosure rate 18.9.
- Residential addresses vacant more than 90 days 45.
- Lake County Unemployment rate 10.4%

2. Discussion of selected target area(s) and the program type

The City of Ronan has 1044 in the selected target area while the Community of Pablo, located five miles north has 820 home in the selected target area. The NSP score is 14 for Ronan and 15 for Pablo indicating some stress in the real estate markets as is outlined in the statistics above. Housing that sits on the market for almost two years is prone to deterioration and empty housing attracts vandalism and squatters. As of yet a majority of the housing stock has not been damaged by disgruntled former owners or squatters. Since the slow sales problem stems from a lack of motivated purchasers due to a slow and scary job market and a perception that housing may even get cheaper, a strategy was devised with input by local realtors to purchase houses needing only limited rehab and then renting to prequalified potential homeowners in a rent to own program as way to move some of a stagnant supply of for sale housing off the market and into the hands of prospective purchasers.

The houses would be purchased using a combination of NSP and local bank funds, potential homebuyers would be selected and guided through applicants to our homebuyer training program. The families would generally live in the homes for up to 18 months to clear up credit and other issues that are preventing successful home ownership. A combination of conventional financing that may include Rural Development loans and a soft second from the NSP funds would assure affordability.

3. Discussion of the impact to the community from the intended project

Although this project is limited in scope to only five houses it will have some impact on the absorption rate and by purchasing the houses closer to the list price may help limit the price slide that sales of bank owned homes are starting to create in the area. Two recent bank owned houses sold at a \$20,000 discount to the loan amount there are reports of one price drop of over \$40,000. These sales points are showing up in appraisals causing further deterioration of home value.

According to February 8, 2011 Wall Street Journal article "Cash Buyers Lift Housing" prices in some of the hardest hit areas of the housing downturn are stabilizing due to the perception of apparent bargains and newly confident buyers. A few sales around here may encourage that attitude locally.

4. Summary that describes the manner in which the proposed project will meet the low income targeting goals

There are a few homes with loans less than \$75,000 on the attached foreclosure list. A home at this price range can be purchased by a low income family and using HOME and RD funds, Lake County Community Housing has assisted several low income families into home ownership in the past ten years. The rest of the houses will be targeted to families in the 80% LMI or above range.

5. Project Beneficiary Assistance

The beneficiaries of this program will be renters with a stated goal of home ownership. They will be families with some credit issues to clear up or insecure about their job future or perhaps not quite ready to commit to the responsibilities of owning a home. Angela was an excellent candidate, she worked a full time and a part time job, her credit had issues but a local banker was willing to work with her while she cleaned it up. Lake County Community Housing borrowed bank funds to purchase a HUD foreclosed house in Charlo that needed some repairs. The house was brought up to standard, Angela rented it for the LCCHDO's cost of ownership while she cleared up her credit issues. Fifteen months after we purchased the home, Angela became a home owner using HOME funds and an RD loan. Angela works hard to make a \$24000 per year income but she and her daughter have their own home on an affordable mortgage.

6. Implementation and Management

Lake County in conjunction with Lake County Community Housing and its affiliated City of Ronan Housing Authority has managed seven HOME grants that have provided homebuyer assistance to over 70 homebuyers since 1997. In addition the two housing organizations have used HOME, housing tax credits and USDA Rural Housing to construct, rehabilitate and manage 74 rental units throughout Lake County. In partnerships with the Cities of Polson and Ronan, the housing organizations have managed three CDBG rehab projects. So these organizations have demonstrated past capacity to manage complex projects.

For home buyers, LCCHDO has managed a Neighborworks sponsored first time homebuyer training for many years and provided housing counseling and homebuyer loans to many clients. As noted above LCCHDO used a rent to own program to get Angela in her own home and prior to a ban on rent to own by the HOME program several years ago assisted several families into home ownership using HOME funds.

This project is small enough that LCCHDO existing staff can manage the program using local contractors for any needed rehabilitation. Since the staff manages homebuyer training and counseling and has closed many home owner loans, rental housing management and CDBG rehab programs no other staffing will be required.

<p>Certifications</p> <p>The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, <i>et seq.</i>; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.</p>
<p>_____</p> <p>Signature</p>
<p>_____</p> <p>Title</p>
<p>_____</p> <p>Date</p>

Lake County Community Housing Development Org.



LCCHDO

P.O. Box 128 319 Main Street Ronan, MT 59860

Phone: 406/676-5901
Fax: 406/676-5902
E-Mail: janw@ronan.net

Market Survey for Ronan 2nd Avenue Duplexes Rural Development 515 Housing Project

The proposed development site is on four 30 x 127 foot city lots on the corner of Cleveland Street and Second Avenue in the south east section of Ronan. LCCHDO plans to construct two 3 bedroom duplexes on the lots for rent to low income families in the City of Ronan. The lots had two small older houses that were removed as part of a neighborhood revitalization effort in the community. The location is three blocks from the central business district and eight blocks from the school.

Ronan is a community with all the relevant services for families including two grocery stores, several gas and convenience markets, some shopping, schools and a hospital. A site map with relevant services is included in attachment 1.

The following community members were consulted in the development of this project: Kim Aipperspach, Mayor, City of Ronan, Ronan City Council, Dan Miller, building inspector, Building review commission, Billie Lee, Executive Director, Lake County Community Development.

Employment

Most of Ronan residents are employed, the 2000 census show 52%, the relatively low employment rate is probably due to the higher portion of children in school and the retired residents in the area. 36 % of households make under \$25,000 per year and per capita income is \$15283. Recently, job growth has become a negative 5% as unemployment in Lake County increased from under 5% to 10% in 2010 mainly due to layoffs in the construction trades and the closure of the Plum Creek sawmill last fall.

Major employers in the Ronan area are the Salish and Kootenai Tribes supporting 1000 employees, Salish & Kootenai College with 345, Jore Corporation 196, local hospitals 488, public schools 588, local government, services, agriculture and construction provide a majority of the rest of the employment.

Recent Growth

The U.S. Census Bureau estimates that in July of 2005 there were 1,968 residents within the City of Ronan. This figure represents a 25% growth rate over 1990 figures or an average increase of approximately 1.66% per year. Lake County as a whole grew by 34% during that period. Future population projections have to do with many factors including national population trends, the local, state and national economy and the availability of sewer, water and other infrastructure in both Ronan and other local communities. On a national level, the “baby boom” generation, with 76 million Americans born between 1946 and 1964, is nearing retirement age. Many are seeking to get back to a rural, small town lifestyle and are moving to communities like Ronan where their dollar goes farther than in larger urban areas. Many of the new residents are also former Montanans who left the state for education and employment but have returned to start businesses and raise their families in a small town atmosphere. Based on these trends, and barring some large scale catastrophe, it doesn't appear the rate of population growth is likely to slow substantially in the near future.

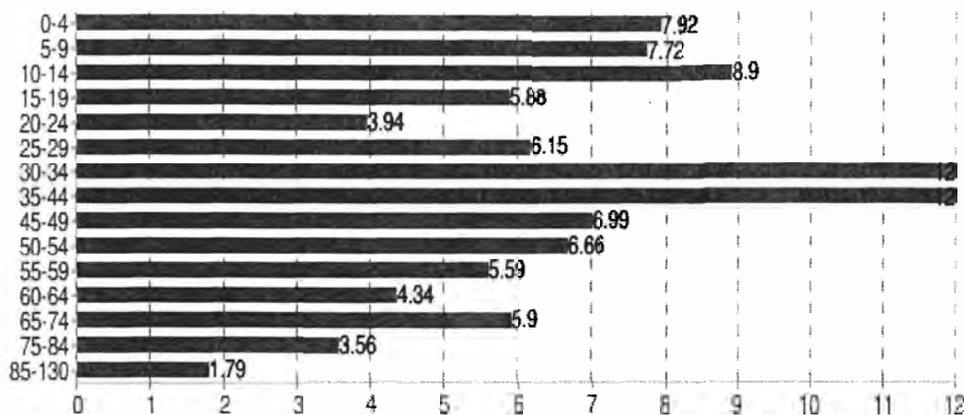
Age Groups

Different age groups require different types of services. For example, children need child care, recreation and after school programs. Seniors need medical care, transportation and often different types of housing. Examining the breakdown in current and expected age groups will allow the public, non-profit and private sectors to plan for community service need in the future.

2000 Census Bureau figures (the most thorough figures available) show age levels in Ronan are generally consistent with age levels across the state with two exceptions. The first exception is 35-54 year olds who make up 24.7% of the City's population as opposed to 30.7% of the state's population. A possible explanation for this fairly small discrepancy is those years typically make up the peak income earning years and people of that age group may have chosen to live in urban areas where incomes are higher while their skills are in greater demand.

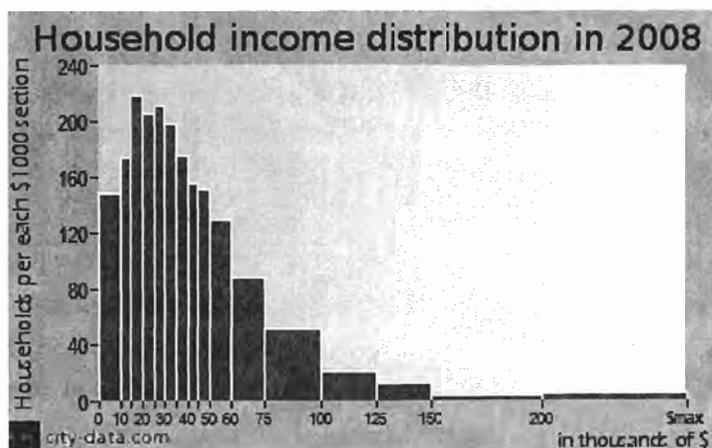
The second exception is in the older segment of the population. Census Bureau data shows that in 2000 the percentage of persons age 65 and older in Ronan was 16.8% while the percentage of persons age 65 and older in Montana is 13.4%. Census Bureau figures also indicate that in 1990 there were 420 persons within the City limits age 45-74. In 2000 there were 502 persons age 45-74, which represents a 20% increase. These figures point to current and future needs for services targeted toward senior citizens like health care, single-level housing located close to stores, transportation services and well constructed and maintained sidewalks and pathways. The following figure shows a percentage breakdown in population segments based on 2000 Census Bureau figures. The following data was supplied by Sperlings list of best places:

Population Percentage by Age - Ronan, MT



Poverty and Prosperity

A home is often the greatest single asset a person will own and homeownership can be considered a measure of prosperity. According to U.S. Census Bureau figures, of the 700 occupied housing units in the City of Ronan in 2000, 58.1% were owner occupied and 41.9% were renter occupied compared to 61% in 1990. This represents a 3% reduction in the homeownership rate over a 10-year period. While the local home ownership rate in 2000 was 58.1%, the homeownership rate across the state of Montana was 69.1%. Part of the explanation for the lower ownership rate in Ronan is multi-family dwellings, which are normally occupied by renters; tend to require public sewer and water facilities. Another explanation is the higher rate of retirement age persons living in Ronan who often rent or live in retirement homes. A third factor could be the lower family incomes in Ronan at 88% of the median family income for the rest of the State or the steadily increasing cost of housing compared to relatively stagnate family incomes. As this graph indicates a large portion of the household in Lake County have incomes under \$40,000 so the higher portion of renter occupied housing corresponds with lower household incomes in the area.



Racial Characteristics

In the 1990 Census, 1,249 persons or 79.3% of the Ronan population identified themselves as being White, 319 persons or 20.3% identified themselves as being American Indian, and 51 persons or 3.2% chose another category. In the 2000 Census, 1,131 persons or 62.4% identified themselves as White, while 599 persons or 33.1%

identified themselves as American Indian and 69 persons or 4.5% chose another category, which includes choosing a combination of two or more races. The 9% decrease in those persons identifying themselves as White and the 88% increase in those identifying themselves as American Indian over ten years is significant, particularly during a period when City experienced steady overall population growth.

This change in racial makeup could be due to efforts by the Confederated Salish & Kootenai Tribes to supply housing in Ronan, the initiative of individual American Indians to move into town, a new or strengthened identification of American Indian heritage, the presence of the Tribal government offices and Salish Kootenai College nearby in Pablo, the moving out of town by persons of White heritage, or a combination of all of these.

Projections

If the recent growth rate continues, the City of Ronan will have over 759 more residents in 20 years. The following table shows projected population estimates based on a growth rate of 1.66% per year.

Population Projections					
Year	2007	2012	2017	2022	2027
	2,031	2,199	2,381	2,578	2,790

Demographics-The Lake County population has increased 1847 people or 7%, from 26,843 in 2000 to 28,690 in 2008, less than 1% per year. The Ronan area has increased 184 people or 1.5% per year and 8% from 1814 in 2000 to 2008 in 2009. Renters have occupied 845 or 36% of the houses. The median household income is \$28,008 with almost 22% living below poverty. Ages in the population was spread out with 29.2% under the age of 18, 9.8% from 18 to 24, 23.5% from 25 to 44, 20.8% from 45 to 64, and 16.8% who were 65 years of age or older. The median age is 35 years with a majority being women by a ratio of 100 women to 84 men.

According to the 2000 census out of 699 households there are 240 with children under 18, about 34%, there were 146 families paying over 30% of their household income for rent including many of those living below poverty.

AFFORDABILITY

During the 1990s the price of homes in Ronan jumped by 48%. New construction was fairly limited during this period so the increase mostly reflects value of the existing housing stock. During this period, household income only rose by 29%.

Also during the 1990s, the median rent within the City of Ronan increased by almost 44% from \$249 in 1990 to \$447 in 2000. The U.S. Department of Housing and Urban Development defines a cost burden as that level of income at which housing costs consume at least 30% of gross household income. Housing costs include monthly payments such as rent or mortgage, taxes, insurance and utilities. At this level it is possible to qualify for a loan but the buyer must have little other debt. When housing costs exceed 30% of income,

it is often difficult for home buyers to qualify for a loan and is also difficult for renters to save a down payment to purchase a home in the future.

- In 1999 21.7% of home owners exceeded the 30% threshold.
- In 1999 46.4% of home renters exceeded the 30% threshold.

The Ronan Housing Authority and the Salish and Kootenai Housing Authority offer a number of assistance programs. Priorities identified by the housing agencies include the encouragement of housing development where public water and sewer systems are available; upgrading the current, aging housing stock to assure residents have access to safe, decent, and healthy living environments for either rent or purchase; increasing the availability of rental assistance programs to assure the lowest income families have access to the decent housing, and increasing the availability and access to affordable single-homes for middle income families.

Rental Vacancy Rate

U.S. Census Bureau data indicate the rental vacancy rate in 2000 was 7.6%, which equaled the state average. However, since 2000 it appears that the vacancy rate dropped substantially. In 2001 the Lake County Community Development Corporation and Ronan Housing Authority commissioned The Danter Company to conduct an analysis of housing in the Polson and Ronan areas. The study reports that in October of 2001, the local apartment vacancy rate for market rate units was 2.7% and the market for subsidized units was 0.1%.

In January of 2002 Property Dynamics conducted a market analysis for Sparrow Lane II, a 33-unit, tax-credit subsidized rental community in Pablo. This study estimated the vacancy rate to be approximately 3% - 4%. More recently, in January of 2006 Property Dynamics conducted a market analysis for a 20-unit, tax-credit subsidized senior housing project in Ronan. This study estimated the vacancy rate to be 1% for market rate units and 2.6% for subsidized units. The study states, "It is very clear that there are very few, if any, rental units available in the area..."

Both the Ronan Housing Authority and the Salish and Kootenai Housing Authority have large waiting lists for subsidized housing units. During personal interviews local landlords and real estate agents have also said rental housing units are typically full, although they said vacancies were more prevalent in recently than only a couple of years before and it appears the vacancy rate is increasing for unsubsidized apartments due to the economic issues of the last few years.

To determine waiting lists for affordable housing units in Ronan the following project managers were contacted in March of 2010: Beverly Luedke of Acre Lawn Apartments does not keep a waiting list for her six 3 bedroom units that rent at \$675 and the two 4 bedroom units renting at \$750, all units are full; Steven Danielson has two 3 bedroom units renting for \$600 and seven 2 bedroom trailers that rent from \$375 to \$475 depending on

condition that are full; Deborah Moffitt, Lake County Rental Services has 15 two and three bedroom single family house renting for \$550 to \$650 that are full, 2 vacancies in three bedroom duplexes and a seven unit one and two bedroom apt that is full, her overall vacancy rate is 10%; Mary Rose Morigeau of Salish & Kootenai Housing has over 200 families waiting for two bedroom units and 36 families needing three bedroom in Ronan and Pablo, SKHA rents are \$200 for a two bedroom and \$275 for a three bedroom.

Lake County Housing manages 116 rental properties. There is one vacant 3 bedroom house that is not subsidized and rents at \$600. Potential renters from the LCCHDO waiting list have difficulty renting these tax credit units at that rate. All other units are full or are filled rapidly.

Mission Meadows three miles north of Ronan operates as a mobile home park and with overnight hookups for travelers; Acre Lawn Mobile Home Park has 15 mostly owner occupied trailers. There are three mobile homes advertised for rent in March 2010 for \$650 and \$750 per month.

The 2000 census identifies 293 renter occupied units in Ronan with a vacancy rate of 7%. Fifteen units are advertised for rent in the local paper or about 5% of the 315 rental units identified in the 2000 census, which probably accounts for normal turnover.

Housing Needs Projections

The following is excerpted from the Ronan Growth Policy adopted by the City of Ronan in 2008.

From 1990 to 2005, the population of Ronan grew by approximately 1.6% per year. Population and housing projections are difficult to make because they depend on many factors including national and local economic and demographic trends, employment opportunities, interest rates and other factors. One major variable that could either encourage or stifle growth is the availability of municipal water and sewer services (discussed in the Public Facilities and Local Services section). However, Ronan is an attractive place to live for a variety of reasons including the generally low housing costs compared with the rest of Lake County and the spectacular views of the Mission Mountains. If Ronan plans for future growth by maintaining water and sewer capacity, population growth could continue steadily for the foreseeable future.

Assuming Ronan continues to grow at a rate of 1.6% from the estimated 2007 population of 2,031 to the year 2027, and the average household size of 2.47 persons stays consistent, the following changes will occur:

- By 2012 there will be 168 more residents who need 68 more housing units.
- By 2017 there will be 346 more residents who need 141 more housing units.
- By 2022 there will be 547 more residents who need 221 more housing units.
- By 2027 there will be 759 more residents who need 307 more housing units.

Based on the data described collected, we know the following:

- The population is getting older and Ronan has a relatively high percentage of senior citizens.
- Household incomes are relatively low and rents and mortgages are relatively high.
- Home ownership rates have declined slightly.
- Ronan has a high percentage of single parents and children.
- Few rental properties are available.
- Ronan has little upper end housing.
- There is substantial room for redevelopment and expansion adjacent to the City's borders.

Identified Issues and Needs

The conditions, trends and projections discussed above call for a mixture of housing types and programs including:

- Entry level single-family and multi-family housing for families and single parents within close proximity to schools, stores, and other services.
- Housing for seniors within close proximity to medical facilities, recreational facilities and other services.
- The continuation and expansion of homeownership programs.
- The encouragement of higher end housing in order to have a healthy mixture and strengthen the tax base.

This project is planned to meet the entry level needs of low income families in Ronan, there are 76 families waiting for affordable 3 bedroom housing between the LCCHDO and the SKHA waiting lists that would accept or prefer Ronan. The location is in the residential area of town and close to all services Ronan offers. Although at this time the rental market is a little soft with an estimated 7% vacancy rate primarily due to the economic conditions, continuation of the historic 1.6% per year population expansion rate will increase the demand for housing. According to the latest data from Sperlings Best Places, 30% or 720 of the 2400 homes in the Ronan area zip code are rentals with 305 rentals in the City proper. Sperlings also notes that 7 % or 160 houses are vacant in the area, but available data does not indicate if these are vacant rentals, vacant houses for sale or second homes for families living elsewhere.

Rental Assistance will be needed to make these units affordable, 36 tax credit houses that rent for \$500 or \$600 have high turnovers as families struggle with housing costs that often eat up far more than the 30% of household income considered a basis for family housing costs. The Lake County Housing waiting list has 131 families, of which 111 have either selected or will live in Ronan and 25 that specified Ronan or Pablo only. There are 40 families needing 3 bedroom units in Ronan with an average family size of 4.2. Eleven are two parent families twenty five are single parent and three are disabled. Thirteen of these families have some employment, nineteen depend on SSI or TANF and ten claim no income. When the families that claimed some employment were contacted for available market rate housing, one family makes \$950/ month on WIA and cannot afford to spend

50% of their income for housing; another is on a temporary work assignment; although another family has a job, the \$600 in rent is more than they can afford and will stay in the substandard housing they have; another employed family is losing their house to foreclosure because they cannot afford the \$525 payments.

Ronan and Lake County have a need for affordable rental housing and the LCCHDO waiting list Ronan has about 18% of its rental housing as three bedroom units and with the fair market rent standard for such a unit at \$724 a month the price is out of range for many families. Ten years ago almost one half the renter families were paying more than 30% of the household income for housing and it is doubtful that the situation has improved. Constructing the four units proposed would help more of the 76 families needing larger housing find accommodations, especially if rental assistance was a part of the package.

The information presented is accurate to the best of your knowledge; Reliable sources were used to collect the information and data presented; A site visit was made by USDA Multifamily Housing Specialist, Carol Lechner.

Jan Niemeyer
LCCHDO

The following sources were used in compiling this study:

2008 Ronan Growth Policy

Sperlings Best Places Ronan, MT

2000 Census Data

Market Studies by Property Dynamics and Danter Company

The Housing White Paper compiled by the Montana Department of Commerce

Neighborhood ID: 7950500

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: PO Box 200523 Helena MT 59620

Grantee Email: banseth@mt.gov

Neighborhood Name: Ronan

Date:2011-02-07 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 14

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 1044

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 71.03

Percent Persons Less than 80% AMI: 55.18

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 1580

Residential Addresses Vacant 90 or more days (USPS, March 2010): 45

Residential Addresses NoStat (USPS, March 2010): 563

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 96
Percent of Housing Units with a high cost mortgage between 2004 and 2007: 33
Percent of Housing Units 90 or more days delinquent or in foreclosure: 8.9
Number of Foreclosure Starts in past year: 6
Number of Housing Units Real Estate Owned July 2009 to June 2010: 2

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 1

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9
Place (if place over 20,000) or county unemployment rate June 2005: 4.1
Place (if place over 20,000) or county unemployment rate June 2010: 9
Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-114.134731 47.543975 -114.070015 47.544207 -114.068127 47.515346 -114.133873 47.514998

Blocks Comprising Target Neighborhood

300479405003012, 300479405004001, 300479405004008, 300479405004010, 300479405004028,
300479405004027, 300479405004026, 300479405004025, 300479405004024, 300479405004023,
300479405004022, 300479405004021, 300479405004020, 300479405004019, 300479405004017,
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300479405004068, 300479405004067, 300479405004018, 300479405004065, 300479405005000,
300479405005039, 300479405005038, 300479405005036, 300479405005009, 300479405005005,
300479405005001, 300479405005002, 300479405005003,

Neighborhood ID: 3488403

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address:

Grantee Email: housing@ronan.net

Neighborhood Name: Pablo

Date:2011-02-07 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 15

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 820

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 87.8

Percent Persons Less than 80% AMI: 60.7

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current or potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 701

Residential Addresses Vacant 90 or more days (USPS, March 2010): 0

Residential Addresses NoStat (USPS, March 2010): 487

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 54
Percent of Housing Units with a high cost mortgage between 2004 and 2007: 23.8
Percent of Housing Units 90 or more days delinquent or in foreclosure: 10
Number of Foreclosure Starts in past year: 4
Number of Housing Units Real Estate Owned July 2009 to June 2010: 2

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 1

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9
Place (if place over 20,000) or county unemployment rate June 2005: 4.1
Place (if place over 20,000) or county unemployment rate June 2010: 9
Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-114.137907 47.614727 -114.069071 47.615074 -114.091043 47.587757 -114.140482 47.588336

MINERAL COUNTY – INTENT TO APPLY

DATE OF APPLICATION

DATE RECEIVED (AGENCY USE ONLY)

NSP3 'Intent to Apply' Form

Part 1 (Local Government Name) Activity Description		
Intended Applicant Information	TBD – Possibly Mineral County	Name
		Mailing Address
		City, State, Zip Code
		Telephone Number
		Email
Intended Partner (Developer) Information	District XI Human Resource Council	Name
	Regional CHDO	Type of Entity
	1801 S. Higgins	Mailing Address
	Missoula, MT 59801	City, State, Zip Code
	(406) 728-3710	Telephone Number
	jpm@hrcxi.org	Email
Activity Name	HRC Mineral County Acquisition Rehabilitation NSP Program	
Intended Uses	Select all that apply:	
	<input type="checkbox"/>	Eligible Use A: Financing Mechanisms
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/>	Eligible Use C: Land Banking
	<input type="checkbox"/>	Eligible Use D: Demolition
	<input type="checkbox"/>	Eligible Use E: Redevelopment
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)	
Program Types	Grantee driven homeownership	
Location Description	Mineral County, MT. Census tracts 99.45 and 99.46 (see attached maps)	
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)	
	_____ 25 % is estimated to serve low income households	
	2	# Units will Serve 0% -50% AMI
	7	# Units will Serve 51% -120% AMI
	9	TOTAL # of Units
	\$138,000	Amount of funds set-aside to serve 0% - 50% AMI
	\$413,555	Amount of funds set-aside to serve 51% - 120% AMI
\$551,555	TOTAL amount of MDOC - NSP3 funds	
Budget	Source of Funding	Dollar Amount
	MDOC - NSP3	\$551,555
	Private Mortgages/ Buyer Funds	\$1,120,000
	(Other funding source)	\$
Total Budget for Activity	\$1,671,555	
Current Site Status	Properties will be foreclosed, vacant, or abandoned single family homes.	
Projected Start Date	When contract signed with MBOC, estimated to be July, 2011	
Projected End Date	36 months after contract initiation or June, 2014	
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F	

Part 2

Please provide brief description of proposed project:

The District XI Human Resource Council serves Mineral County, MT. HRC plans to purchase, rehabilitate, and resell foreclosed, abandoned or vacant single family homes to low and moderate homebuyers in the two targeted census tracts that make up Mineral County. Mineral County's real estate market has suffered in the past few years. There are many foreclosed, and offer vacant and abandoned, housing units for sale in the County that are in need of rehabilitation. While private investors were purchasing many of these units, declining values and increased rehabilitation costs due to neglect have made it very difficult for investors to earn a profit reselling units. HRC plans to bring units up to Housing Quality Standards, and make additional Energy Efficiency and E-Star upgrades and improvements, through the NSP program. HRC plans to purchase and rehabilitate at least nine units during the three year program.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

See Attached Part 3 HRC Narrative

1. Preliminary Market Analysis
2. Discussion of selected target area(s) and the program type
3. Discussion of the impact to the community from the intended project
4. Summary that describes the manner in which the proposed project will meet the low income targeting goals
5. Project Beneficiary assistance
6. Implementation and Management

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature

Executive Director

Title

2/8/2011 _____
Date

Date

Part 3 Narrative

1. Preliminary Market Analysis

Mineral County's home sales market has suffered substantially in the past few years. Both census tracts in the county, 99.45 and 99.46, have NSP3 scores above 10, and the sales market does not seem to be rebounding. Zillow.com, which tracks home sales nation-wide, reports that the median home listing price in the County has dropped over 29% in the past year, and continue to drop. HUD NSP3 supporting data show that since June, 2010, home prices have dropped 6.9%.

Sales prices are much lower than list prices, and the number of home sales has decreased drastically over the past few years. In the past 12 months, there were 37 home sales in the county, a dramatic drop from prior years. The average sales price during the past 12 months, according to local MLS data, was \$150,326. The average square footage of units sold was 1,580. Homes sit on the market for a very long time. The average length of property listings is currently 291 days, though local real estate professionals state that many homes have been on the market for years, being taken on and off the market during that time. It is possible that the situation will become worse in Mineral County if there is not intervention. HMDA data reveals that 29.15% of all new mortgages between 2004 and 2007 were high cost mortgages, which are more likely to fall into delinquency and foreclosure.

Foreclosed properties have become a problem in Mineral County. Prices on many are very low, and are driving down the price of other units, and also leaving other properties to sit on the market. Many foreclosures were second homes, which have now been abandoned. Investors have purchased many, and often do not make necessary repairs and upgrades, but rent the units "as is". Foreclosures in the worst condition – older units, and those with high cost rehabilitation needs, sit on the market. A local realtor stated that many of these abandoned units have burst pipes and other problems due to being abandoned in such a cold climate and sitting empty for so long.

During the past 12 months, the County recorded 200 units at some point in the foreclosure process. The county does not track the number of cures, bank and auction sales. Realtytrac.com reports that this is a rate of one foreclosure for every 411 housing units in the county.

HUD estimates that a total of nine properties need to be purchased, rehabilitated and sold to make an impact in these census tracts. This is the production goal set by HRC.

2. Discussion of selected target area(s) and the program type

HRC has determined that the best way to make an impact on the foreclosure crisis in Mineral County is to acquire foreclosed or abandoned single family housing units, complete substantial rehabilitation to bring units up to code and make them desirable for sale, and then sell the units to households at 50% - 120% AMI. The condition of many eligible units in the county will require substantial rehabilitation after a long period of neglect. Many units are also older and in need of rehabilitation to make them more energy efficient and modern. HRC expects that many homes will be sold at a loss, yet the sales will help stabilize the real estate market.

A review of foreclosure data for Mineral County proves that this approach is most appropriate. No multi-family properties are in foreclosure, and local real estate experts and county officials have informed HRC that second home foreclosures have had a significant impact on the county. By

turning these now empty second homes into homebuyer opportunities, HRC will not only positively affect the real estate market and unit conditions in the county, but provide opportunities for low and moderate income households to buy safe, decent, energy efficient homes at affordable prices.

HRC has attached a map showing the two targeted census tracts that make up Mineral County.

3. Discussion of the impact to the community from the intended project

As stated above, taking nine or more foreclosed housing units, many of which will need substantial rehabilitation, and selling them to low and moderate income households, will not only make an impact on the real estate market, but will also benefit homebuyers. Prices are depressed in Mineral County, and local realtors state that some units have been on the market for up to two years. These units are not purchased by investors because prices and rehabilitation costs are a barrier to earning a profit on resales.

Most units on the market in Mineral County are single family homes. Currently (February, 2011), there are:

- 12 manufactured or modular homes on the market
- 6 foreclosed single family homes
- 16 single family homes older than 20 years
- 30 single family homes newer than 20 years
- 3 multi-family units
- 1 condominium
- 6 cabins

Of current listings, 9% are foreclosure sales. According to local real estate professionals, even more vacant and abandoned units have been pulled from the market until sales pick up. All foreclosures are single family homes, which are the units targeted by HRC with NSP3 funds. The inventory of foreclosures has been approximately 4 – 6 units at a time, which makes the nine unit goal within 36 months feasible. HRC will spend 50% of all funds within 24 months, and 100% of all funds awarded within 36 months.

4. Summary that describes the manner in which the proposed project will meet the low income targeting goals

As required by the NSP3 program, 25% of all funds will be targeted to households at 50% AMI. HRC expects to have a higher amount of soft second funds to recapture per unit on 50% AMI households than other. By using soft seconds, HRC will be able to bring prices down to a level affordable to 50% AMI households. HRC expects that two of the nine units will serve households 50% AMI or below.

The other 75% of funding and seven units will target households at 120% AMI or less. The current average sales price and median list price are within the price range affordable to many households at 80% AMI, and HRC expects to serve a number of households at 80% or less AMI, as well as some households between 80% and 120% AMI.

HRC works with many low income homebuyers throughout the region. The agency runs a downpayment assistance program and works closely with homeWARD, an agency that provides homebuyer training. Households already in the homebuyer training programs with qualifying

incomes will be approached about the program, and outreach to local residents in Mineral County will also be conducted to attract low income buyers. HRC is building a Low Income Housing Tax Credit project in Superior and will advertise the program to tenants in their rental units once the property is open. Subsidies to buyers will be higher in these units than in other units to ensure that households can afford their new home.

5. Project Beneficiary assistance

HRC will only be selling units, therefore the tenure of beneficiaries will be homeowners. HRC will use the HOME affordability requirements to determine the period of affordability, as they do with their existing Missoula homebuyer assistance program.

The affordability period will be determined by the per unit amount of NSP3 assistance that enables the homebuyer to purchase the property. HRC will be using a recapture provision to ensure affordability. The following affordability period applies:

- If the per unit amount is less than \$15,000, the affordability period is five years
- If the per unit amount is between \$15,000 and \$40,000, the affordability period is then year 10 years
- If the per unit amount is greater than \$40,000, the affordability period is 15 years

HRC expects buyers to secure mortgages in the private market, where rates and terms are usually more competitive than MBOH set-aside mortgages. Second mortgages will be secured for buyers who need extra subsidy to afford their home. The difference between the appraised or market value and the amount of first mortgage will be secured by a second mortgage.

HRC estimates a total of nine beneficiary households, 2 at 50% AMI and 7 between 50% and 120% AMI. At least 25% of all NSP3 funds will be targeted to beneficiaries at 50% AMI, and 75% of funds will be targeted to households between 50% and 120% AMI.

6. Implementation and Management

- a) Local government's and/or sub-grantee's previous expertise with NSP, HOME and CDBG.

The District XI Human Resource Council will be implementing the NSP3 program in Mineral County on behalf of the local governments. HRC is a regional housing organization with successful home rehabilitation and down payment assistance programs. Moving into NSP3 as another tool for serving households in this region is an ideal nexus for the agency.

While HRC has not yet utilized NSP dollars, the agency continually uses CDBG and HOME funds to deliver housing assistance to residents of Mineral County. Staff are experts in CDBG and HOME program rules, and will have no difficulty in transferring this knowledge to the NSP3 program.

HRC has successfully used CDBG, HOME, and other federal funds from both the Montana Board of Housing and the City of Missoula for the past 45 years to provide down payment assistance, home rehabilitation, weatherization and other housing services to low and moderate income households in a three county region (Missoula, Mineral and Ravalli Counties). Current HRC programs will compliment NSP3 activities in Mineral County and will ensure a robust and successful program.

HRC has an office in Superior, which will be used for homebuyer applications and program management.

HRC has a strong partnership with homeWORD, the local agency that provides homebuyer counseling services to first time homebuyers. This partnership will continue and expand to include households served with NSP3 dollars.

b) Capacity of local government and/or partner

HRC has over 45 years experience in administering a wide range of housing and other programs. A listing of more recent housing projects and ongoing programs over the last decade includes:

- Energy Conservation and Weatherization Program
- Section 8 Rental Assistance Program
- HUD Single Family Properties for the Homeless
- Rural Development Housing Preservation Grants
- Homesteads Affordable Homeownership Subdivision
- Hamilton Parkside Senior Apartments Acquisition/Rehabilitation Project
- Edna Court Senior Rental-Housing Development
- Housing Rehabilitation Loan Program
- Homebuyer Assistance Loan Program
- Homebuyer Assistance Loan Program for Disabled Households
- Native American Lease/Purchase Homebuyer Assistance Program
- Rental Housing Acquisition and Preservation Projects (8 Projects)
- St. Regis Manufactured Housing Project
- Homeless Prevention and Rapid Re-housing Program
- Superior LIHTC Project

HRC is a multipurpose organization with the proven capacity to undertake and manage a variety of programs and services. The breadth and range of HRC's management experience enhances its capacity because the experience and strengths of the entire organization can be accessed as needed to assure a well-managed project. The following demonstrates that the project is ready to proceed.

- Policies, procedures, and documents have been developed and proven to be effective for CDBG programs. HRC will adopt policies, procedures and documents for the NSP3 program as well.
- HRC has the program structure and trained, experienced staff in place and the ability to hire professional services as needed to assure the success of the proposed project.

HRC staff have systems in place for unit acquisitions, rehabilitation work write ups, bid processes, income verifications, and unit sales. An additional rehabilitation specialist will be hired to coordinate the NSP unit rehabilitation, and a contract Realtor will also be brought onto the HRC team to facilitate acquisitions, pricing, and sales. All housing must meet the housing quality standards in 24 CFR 982.401 (HQS). HRC staff has been trained in conducting Housing Quality Standards (HQS) inspections. HRC will also hire a contract Acquisition Specialist on a part time basis for the first two years of the program to coordinate and close on all acquisitions.

HRC has an excellent record of financial management of federal funds, expedient expenditure of funds, monitoring and reporting. HRC has Financial Management policies and procedures in place, as well as nondiscrimination, equal employment and fair housing policies, Affirmative Marketing and Section 3 policies. HRC regularly conducts environmental review records for units to be rehabilitated or purchased using CDBG and HOME funding, and follows all Uniform Relocation Act requirements required by HUD.

c) Estimated time frame of project duration

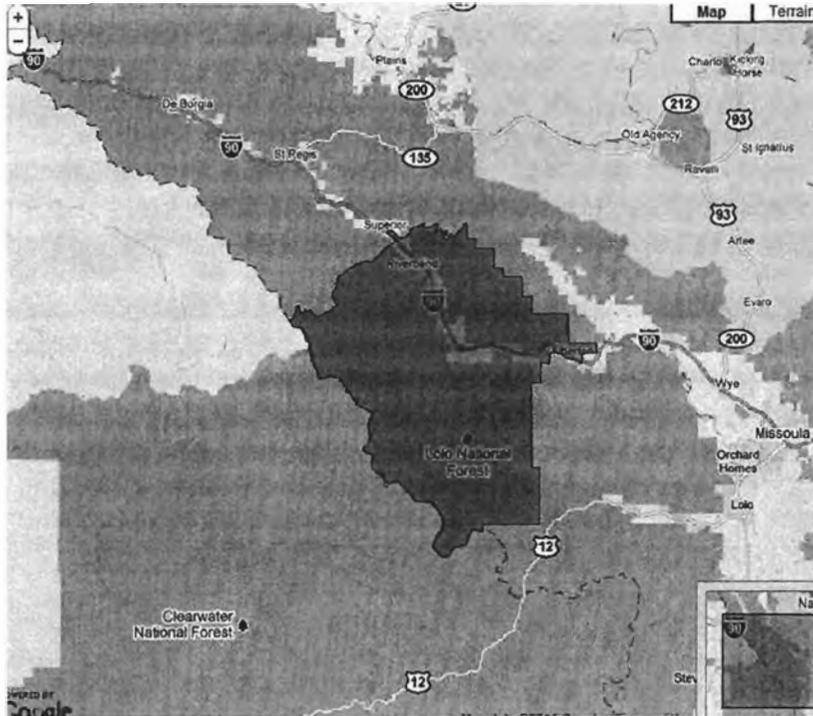
HRC will meet all NSP3 expenditure requirements, including expending 50% of funds in 24 months and 100% of funds in 36 months. All units will be sold within the 36 month timeframe, if not sooner.

d) Performance measures

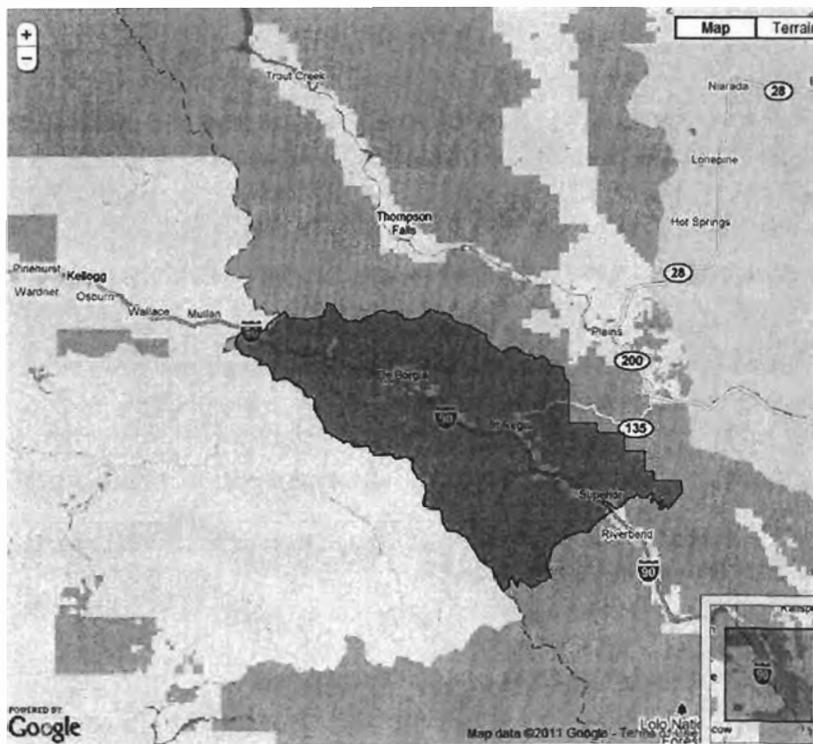
HRC has the goal of purchasing, rehabilitating, and reselling at least nine single family foreclosed, vacant or abandoned homes in Mineral County during the 36 month period. At least 25% of all funds will be used on units sold to households who earn 50% or less of the median income. HRC will measure success by meeting their stated NSP3 production goal, providing quality housing units into the market that were otherwise depressing the market, and assisting nine households to become homebuyers. HRC will also measure success by the energy savings in each unit after rehabilitation, which will result in lower utility costs for buyers.

Target Census Tract Maps – Mineral County, MT

Tract 99.45



Tract 99.46



Neighborhood ID: 3515594

NSP3 Planning Data

Grantee ID: 3099990N,1699990N

Grantee State: MT,ID

Grantee Name: MT NONENTITLEMENT,ID NONENTITLEMENT

Grantee Address: 3477 W. Hayward Place Denver CO 80211

Grantee Email: jrodgers@mho.com

Neighborhood Name: 9945

Date:2011-02-02 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 12.04

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 1005

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 66.73

Percent Persons Less than 80% AMI: 45.62

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current or potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 786

Residential Addresses Vacant 90 or more days (USPS, March 2010): 0

Residential Addresses NoStat (USPS, March 2010): 164

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 285

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 29.16

Percent of Housing Units 90 or more days delinquent or in foreclosure: 7.62

Number of Foreclosure Starts in past year: 18

Number of Housing Units Real Estate Owned July 2009 to June 2010: 8

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 5

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9

Place (if place over 20,000) or county unemployment rate June 2005*: 4

Place (if place over 20,000) or county unemployment rate June 2010*: 11.1

*Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
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-115.121098 47.061352 -115.115261 47.059130 -115.105476 47.063808 -115.100498 47.079007
-115.096893 47.081228 -115.093117 47.072460 -115.085564 47.069070 -115.084362 47.065094
-115.082130 47.076435 -115.076981 47.072811 -115.067711 47.073512 -115.062733 47.069303
-115.063591 47.067316 -115.056896 47.062872 -115.030804 47.071525 -115.026512 47.071174
-115.015697 47.079124 -115.008316 47.079007 -115.007114 47.083916 -115.012264 47.085904
-115.017586 47.096656 -115.015354 47.103901 -115.008144 47.111028 -115.009689 47.113948
-115.003681 47.125279 -114.991493 47.129717 -114.982738 47.136374 -114.971581 47.139877
-114.964542 47.143730 -114.939137 47.148867 -114.929867 47.145948 -114.923859 47.147700
-114.920254 47.153303 -114.908924 47.158673 -114.897594 47.167660 -114.871159 47.178862
-114.891415 47.192279 -114.889870 47.195078 -114.881802 47.195545 -114.862576 47.182946
-114.854336 47.183529 -114.841290 47.191462 -114.838715 47.195662 -114.829788 47.200444
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-114.719925 47.200794 -114.718037 47.205109 -114.712200 47.207208 -114.712029 47.182246
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-114.630146 47.137892 -114.628773 47.123994 -114.586716 47.123994 -114.587402 47.095370
-114.565773 47.094669 -114.566288 47.067550 -114.485092 47.067433 -114.482861 47.023100
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-114.486809 47.000041 -114.504147 47.009289 -114.525433 47.008938 -114.525776 46.992665
-114.547062 46.992548 -114.546890 46.963268 -114.566803 46.963736 -114.566460 46.833539
-114.549465 46.833422 -114.549294 46.747507 -114.675465 46.747154 -114.675293 46.736919
-114.699154 46.740684 -114.713573 46.714679 -114.740009 46.711855 -114.751167 46.697611
-114.767475 46.696904 -114.788418 46.714209 -114.779148 46.730448 -114.772968 46.732096
-114.767303 46.739861 -114.765244 46.758680 -114.790134 46.779256 -114.808159 46.782430
-114.817600 46.781490 -114.829273 46.782783 -114.836311 46.791481 -114.860344 46.805230
-114.863949 46.813571 -114.880600 46.811809 -114.887638 46.809107 -114.898968 46.813336
-114.904633 46.822969 -114.920940 46.827550 -114.927807 46.836006 -114.929180 46.843638
-114.924202 46.847747 -114.928837 46.854791 -114.939651 46.856083 -114.948406 46.859604
-114.943943 46.867820 -114.939480 46.868524 -114.931755 46.876504 -114.931583 46.881784
-114.936733 46.897387 -114.927979 46.914158 -114.930725 46.920607 -114.961796 46.930338
-115.001965 46.971819 -115.028400 46.975450 -115.030632 46.972171 -115.047970 46.969945
-115.057926 46.987864 -115.066166 46.996646 -115.071144 47.022398 -115.087624 47.045563
-115.098782 47.048487 -115.102386 47.047435 -115.108051 47.049540

Blocks Comprising Target Neighborhood

300619945001008, 300619945001994, 300619945001112, 300619945001111, 300619945001110,
300619945001109, 300619945001108, 300619945001107, 300619945001106, 300619945001053,
300619945001995, 300619945001052, 300619945001049, 300619945001046, 300619945001045,
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300619945001007, 300619946002095, 300630009005982, 300630009005040, 160359701001002,

Neighborhood ID: 6375885

NSP3 Planning Data

Grantee ID: 3099990N,1699990N

Grantee State: MT,ID

Grantee Name: MT NONENTITLEMENT,ID NONENTITLEMENT

Grantee Address: 3477 W. Hayward Place Denver CO 80211

Grantee Email: jrodgers@mho.com

Neighborhood Name: 9946

Date:2011-02-02 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 13.96

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 1078

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 69.44

Percent Persons Less than 80% AMI: 48

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 788

Residential Addresses Vacant 90 or more days (USPS, March 2010): 0

Residential Addresses NoStat (USPS, March 2010): 207

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 241

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 32.24

Percent of Housing Units 90 or more days delinquent or in foreclosure: 8.78

Number of Foreclosure Starts in past year: 17

Number of Housing Units Real Estate Owned July 2009 to June 2010: 7

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 4

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9

Place (if place over 20,000) or county unemployment rate June 2005: 4

Place (if place over 20,000) or county unemployment rate June 2010: 11.1

*Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

BUTTE – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	Butte-Silver Bow County	Name	
	155 W. Granite	Mailing Address	
	Butte MT	City, State, Zip Code	
	406-497-6467	Telephone Number	
	kbyrnes@bsb.mt.gov	Email	
Intended Partner (Developer) Information	National Affordable Housing Network	Name	
	NON PROFIT	Type of Entity	
	66 W. Park St. Suite 211	City, State, Zip Code	
	Butte, MT 59701	Telephone Number	
	(406)	Email	
	bmillier@nahn.com		
Activity Name	(Enter the name of Activity)		
Intended Uses	Select all that apply:		
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/>		
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input checked="" type="checkbox"/>	Eligible Use C: Land Banking	
<input type="checkbox"/>			
<input checked="" type="checkbox"/>	Eligible Use D: Demolition		
<input type="checkbox"/>			
<input checked="" type="checkbox"/>	Eligible Use E: Redevelopment		
<input type="checkbox"/>			
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)		
Program Types	(Please select from one of the identified Program Types from Section D) Grantee driven homeownership		
Location Description	Butte-Silver Bow original Town; see HUD document attached		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	_____ 25 _____ % is estimated to serve low income households		
	7	# Units will Serve 0% -50% AMI	
	18	# Units will Serve 51% -120% AMI	
	25	TOTAL # of Units	
	25%	Amount of funds set-aside to serve 0% - 50% AMI	
	75%	Amount of funds set-aside to serve 51% - 120% AMI	
100%	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding	Dollar Amount	
	MDOC - NSP3	\$1,700,000	
	Line of Credit	\$1,700,000	
Total Budget for Activity	\$3,400,000		
Current: Site Status	Foreclosed, Real-Estate Owned by foreclosing party or vacant or blighted		
Projected Start Date	9/1/2011		

Projected End Date	8-01-2012
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2

Please provide brief description of proposed project:

Depending on the circumstances of the buyer: 1) Vacant or foreclosed homes and vacant land formerly occupied by blighted homes will be purchased and developed, and made ready for redevelopment as low-income housing or sold to income qualified buyers (grantee-driven homeownership) or 2) foreclosed, bank-owned, vacant and blighted homes will be purchased with down payment assistance to the buyer (buyer-driven homeownership). All homes will be part of the land-trust model to insure affordability. The expected benefit to low income persons is that they will be able to become homeowners of energy-efficient homes, and will be able to enjoy the wealth building aspects of homeownership.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

The outline of Butte-Silver Bow eligible census tracts (1,2,3,4,5) produced a HUD score of 11.82, as compared to a state minimum score of 10. The total units in the neighborhood are 10,699. The income levels in Butte are low – 46% below 80% of AMI and 67% below 120% of AMI. The number of residential addresses indicating “NoStat” as of March 2010 was 240, and the number of vacant units for 90 days or more was 716. Between 2004 and 2007, 1,710 homes were financed in the Butte neighborhood, 32.6% with high cost mortgage products. There were 102 foreclosure starts and 46 REO in Butte. Estimated number of units to make an impact is 23. The price of housing has decreased by about 7 percent and the unemployment rate has nearly doubled to 5.9%. The foreclosed, REO or blighted home can be purchase and renovated and resold to an eligible family OR the family can purchase a foreclosed or REO home directly with down payment assistance to acquire the land for the land trust. In some cases, a home may be so blighted that it cannot be repaired, so a replacement home will be developed on site. HUD’s report indicates that 23 homes would make an impact in Butte, based on the HUD model; so this project, with 25 homes, would make an impact. The manner in which the proposed project would meet the low income targeting goals is that 25% of the homes and funds would be used to assist very low income (<50% AMI) families. The project beneficiary assistance would be the opportunity to become a homeowner; partnerships with local programs and local government will make homes more affordable, and support programs after homeownership have been proved to have extremely low foreclosure rate. The implementation and management of the program will be through National Affordable Housing Network, a community housing development organization that partners with more than five other housing organizations.

**Project Name : Butte, numerous block numbers (see attached report sent by Neighborworks Great Falls with Butte data and block numbers)
Census Tract Numbers 1,2,3,4 and 5**

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature

Executive Director

Title

2/8/2011

Date

Neighborhood ID: 8885986

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: 509 1ST AVE SO Great Falls MT 59401

Grantee Email: srice@nwgf.org

Neighborhood Name: butte

Date:2011-02-06 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 11.82

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 10699

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 67.49

Percent Persons Less than 80% AMI: 46.06

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 10470

Residential Addresses Vacant 90 or more days (USPS, March 2010): 716

Residential Addresses NoStat (USPS, March 2010): 240

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 1710

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 32.63

Percent of Housing Units 90 or more days delinquent or in foreclosure: 7.75

Number of Foreclosure Starts in past year: 102

Number of Housing Units Real Estate Owned July 2009 to June 2010: 46

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 23

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9

Place (if place over 20,000) or county unemployment rate June 2005: 3.4

Place (if place over 20,000) or county unemployment rate June 2010: 5.9

*Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

TUESDAY, FEBRUARY 08, 2011



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Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities.

Enter an Address, city or state [Go] Select a State Select a County [Go]

Map Options: Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%): — Tract Outline

SIGN UP | LOGIN

Click here for an Overview

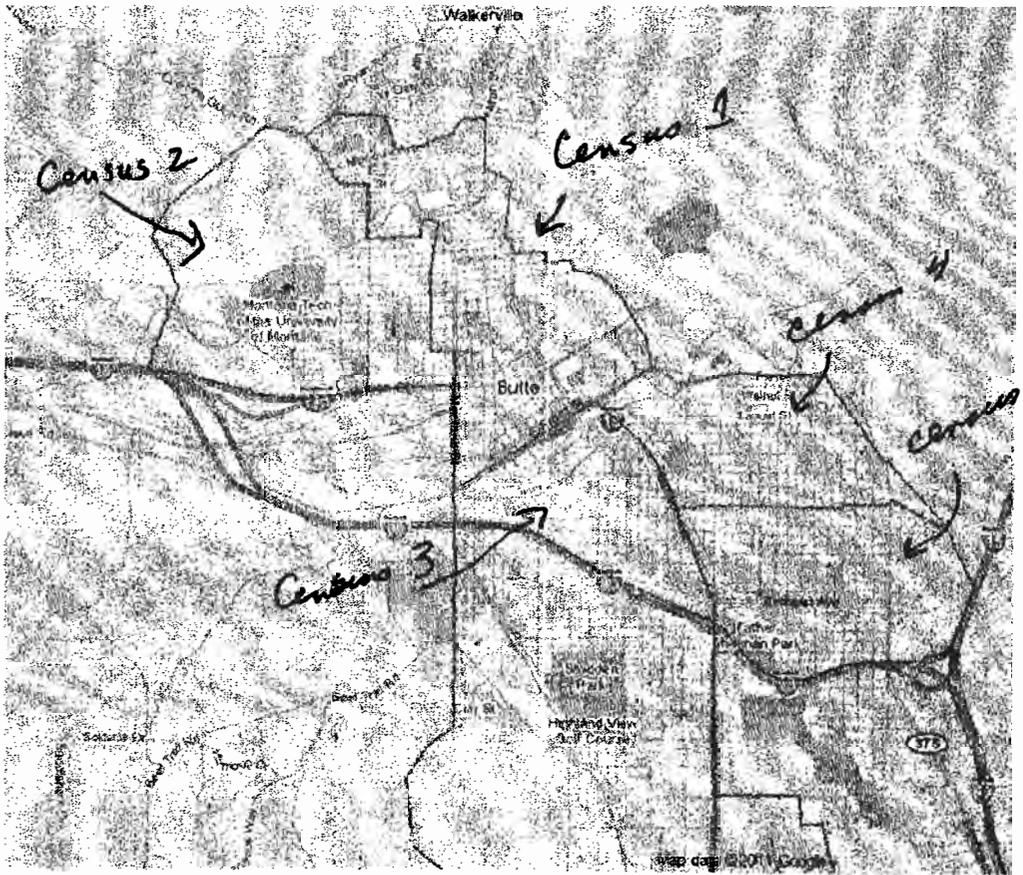
NSP3 Options

13 Current Zoom Level

Show Tracts Outline (Zoom 11+)

METHODOLOGY INSTRUCTIONS

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



KALISPELL – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	TBD - City of Kalispell and/or Flathead County		Name
			Mailing Address
			City, State, Zip Code
			Telephone Number
			Email
Intended Partner (Developer) Information	Community Action Partnership of Northwest Montana		Name
	A Private Not-for-Profit Community Action Agency, CHDO, and CDC.		Type of Entity
	P. O. Box 8300		Mailing Address
	214 Main Street, Kalispell, Montana 59904-8300		City, State, Zip Code
	406-752-6565		Telephone Number
		mmccleary@kalhrdc.mt.gov	Email
Activity Name	Acquisition and Rehabilitation of foreclosed and abandoned homes		
Intended Uses	Select all that apply:		
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>	Eligible Use C: Land Banking	
	<input type="checkbox"/>	Eligible Use D: Demolition	
	<input type="checkbox"/>	Eligible Use E: Redevelopment	
National Objective	Low, Moderate, and Middle Income		
Program Types	Grantee Driven Homeownership		
Location Description	Flathead County (see attached map for census tract information)		
Intended Project Beneficiaries	25% is estimated to serve low income households		
	2	# Units will Serve 0% -50% AMI	
	4	# Units will Serve 51% -120% AMI	
	6	TOTAL # of Units	
	\$450,000	Amount of funds set-aside to serve 0% - 50% AMI	
	\$1,050,000	Amount of funds set-aside to serve 51% - 120% AMI	
\$1,500,000	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding	Dollar Amount	
	MDOC - NSP3	\$1,500,000	
	(Other funding source)	\$	
	(Other funding source)	\$	

Total Budget for Activity	\$1,500,000
Current Site Status	Foreclosed, bank owned, vacant (scattered sites)
Projected Start Date	As soon is funding is available.
Projected End Date	Three years from start date or whatever date is mandated by MDOC.
Activity Description	See Part 2 below

Parts 2 & 3

Community Action Partnership (CAP) formerly Northwest Montana Human Resources (NMHR)), in partnership with the City of Kalispell and/or Flathead County, will combine NSP eligible activities A and B to acquire foreclosed homes, place them in the Northwest Montana Community Land Trust (NWMCLT), sell, and oversee minor rehabilitation if needed. The public-private partnership will address the affordable housing needs in Kalispell and Flathead County. There has been a long standing desire by CAP and other organizations and professionals in Kalispell and the Flathead Valley affordable housing community to implement a Community Land Trust (CLT) model. After research into many workforce housing models, the community land trust was found to offer the best mechanism for the provision of permanent housing affordability and thus allow for the best stewardship of public and private dollars. We believe the economy and the marketplace continue to provide a viable climate for this affordable homeownership model. Actual foreclosures numbered 393 in 2010 in Flathead County and the median home price is still at an unattainable \$210,000 for individuals and families at or below 80% of AMI. The unemployment rate was 12.1% in December 2010.

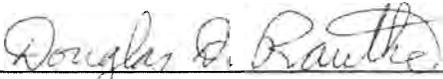
The expected benefit to income-qualified households is affordable homeownership. New homebuyers will be prepared for successful homeownership by their required participation in First Time Homebuyer Classes, pre-and post-purchase counseling, credit counseling, and CLT education and guidance. The families will also build increased assets through the CLT model of homeownership. The home is sold at below market price and the re-sale restriction (according to a re-sale formula) insures affordability of the home in perpetuity. The ground under the home stays in the CLT and is leased to the tenured homeowner under a 99 year renewable ground lease held by the CLT. The benefit of scattered sites is that affordable homeownership can occur in neighborhoods where it has not existed before; especially in the case of recent foreclosures and their varied locations throughout Flathead County.

After successfully completing the largest portion of the NSP 1 effort in the City of Kalispell (acquisition and rehabilitation of 16 homes), CAP staff has the experience with the overall NSP program and its goals to move forward and continue with NSP 3. CAP staff would utilize the knowledge gained; the professional teams that have been put in place (home inspector, contractor pool, accounting practices, acquisition and rehabilitation process, and program protocol with our partners at the MDOC level).

The NWMCLT has been formed and the board meets regularly. The ground lease has been approved and staff is working to complete the education curriculum and marketing procedures. CAP is in the process of preparing to market the 16 existing CLT homes. We would like to continue to build the CLT with 6 more homes so that we can meet and exceed the original NSP 1 goal and offer more rural individuals and families the chance to realize the dream of affordable homeownership.

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature

EXECUTIVE DIRECTOR

Title

2/4/11

Date

Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problem of distressed neighborhoods with homes that have been foreclosed upon and are creating economic problems for their communities.

Enter an Address, city or state Select a State Select a County

Map Options:
 Click Made: [Zoom \(Info\)](#) NSP3 Legend (3)

NSP3 Options

Current Zoom Level
 Show Tracts Outline (Zoom 11+)

METHODODOLOGY **INSTRUCTIONS**

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantees reduce the number and/or size of their target areas.

Map data ©2011 Google

Flathead County, Montana

Tract Numbers: 30029001300, 30029001200, 30029001100, 30029000900, 30029000700, 30029000200

Tract Number	30029000900
Tract NSP3 Need Score	10
State Minimum Qualifying NSP3 Score	10
HMDA Mortgages 2004 to 2007	857
Estimated Delinquent Mortgages (%)	6.8
Total USPS Residential Addresses	3991
USPS Residential Addresses Vacant 90+ days	137
USPS Residential Addresses NoStat	371

Tract Number	30029000700
Tract NSP3 Need Score	13
State Minimum Qualifying NSP3 Score	10
HMDA Mortgages 2004 to 2007	560
Estimated Delinquent Mortgages (%)	8.6
Total USPS Residential Addresses	2545
USPS Residential Addresses Vacant 90+ days	100
USPS Residential Addresses NoStat	175

Tract Number	30029001100
Tract NSP3 Need Score	12
State Minimum Qualifying NSP3 Score	10
HMDA Mortgages 2004 to 2007	742
Estimated Delinquent Mortgages (%)	7.5
Total USPS Residential Addresses	2700
USPS Residential Addresses Vacant 90+ days	138
USPS Residential Addresses NoStat	53

Tract Number	30029001200
Tract NSP3 Need Score	13
State Minimum Qualifying NSP3 Score	10
HMDA Mortgages 2004 to 2007	887
Estimated Delinquent Mortgages (%)	8.5
Total USPS Residential Addresses	3194
USPS Residential Addresses Vacant 90+ days	31
USPS Residential Addresses NoStat	255

Tract Number	30029001300
Tract NSP3 Need Score	10
State Minimum Qualifying NSP3 Score	10
HMDA Mortgages 2004 to 2007	1078
Estimated Delinquent Mortgages (%)	6.6
Total USPS Residential Addresses	4154
USPS Residential Addresses Vacant 90+ days	0
USPS Residential Addresses NoStat	258

Tract Number	30029000200
Tract NSP3 Need Score	11
State Minimum Qualifying NSP3 Score	10
HMDA Mortgages 2004 to 2007	1341
Estimated Delinquent Mortgages (%)	7.2
Total USPS Residential Addresses	4503
USPS Residential Addresses Vacant 90+ days	0
USPS Residential Addresses NoStat	763

WINNETT – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	PETROLEUM COUNTY	Name	
	201 EAST MAIN ST	Mailing Address	
	WINNETT, MT 59087	City, State, Zip Code	
	406-429-5251	Telephone Number	
		Email	
Intended Partner (Developer) Information	NEIGHBORWORKS MONTANA	Name	
	NON PROFIT	Type of Entity	
	509 1 ST AVENUE SOUTH	City, State, Zip Code	
	GREAT FALLS MT 59401	City, State, Zip Code	
	406761-5861	Telephone Number	
	INFO@NWM.T.ORG	Email	
Activity Name	(Enter the name of Activity)		
Intended Uses	Select all that apply:		
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/>		
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>		
<input checked="" type="checkbox"/>	Eligible Use C: Land Banking		
<input type="checkbox"/>			
<input checked="" type="checkbox"/>	Eligible Use D: Demolition		
<input type="checkbox"/>			
<input type="checkbox"/>	Eligible Use E: Redevelopment		
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)		
Program Types	(Please select from one of the identified Program Types from Section D) Grantee driven homeownership and buyer driven homeownership using the land trust model		
Location Description	The town of Winnett see HUD document attached		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	___100___% is estimated to serve low income households		
	1	# Units will Serve 0% -50% AMI	
		# Units will Serve 51% -120% AMI	
	1	TOTAL # of Units	
	100%	Amount of funds set-aside to serve 0% - 50% AMI	
	Amount of funds set-aside to serve 51% - 120% AMI		
100%	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding	Dollar Amount	
	MDOC - NSP3	\$50,000	
	Line of Credit	\$50,000	
Total Budget for Activity	\$100,000		
Current Site Status	Foreclosed, Real-Estate Owned by foreclosing party or vacant or blighted		
Projected Start Date	9/1/2011		

Projected End Date	8-31-2012
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2

Please provide brief description of proposed project: Depending on the circumstances of the buyer: 1) foreclosed, bank-owned, vacant and blighted homes will be purchased, renovated and sold to income qualified buyers (grantee-driven homeownership) or 2) foreclosed, bank-owned, vacant and blighted homes will be purchased with down payment assistance to the buyer (buyer-driven homeownership). All homes will be sold under the land trust model, insuring permanently affordable housing. In some cases, the purchased home may be demolished and replaced with a new manufactured home on a permanent foundation. The expected benefit to low income persons is that they will be able to become homeowners and will be able to enjoy the wealth building aspects of homeownership.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

The general outline of the town of Winnett produced a HUD score of 17, as compared to a state minimum score of 10. The total units in the neighborhood are 61. The income levels are low – 60% below 80% of AMI and 89% below 120\$ of AMI. Twenty residential addresses indicate “NoStat” as of March 2010. Between 2004 and 2007, 3 homes were financed in the neighborhood, 29% with high cost mortgage products. There were 0 foreclosure starts and 0 REO. The price of housing has declined 7% and the unemployment rate has doubled to 5.4%. This is an area where foreclosure are largely due to a combination of falling home values, a recent spike in unemployment and a relatively low vacancy rate; so a land trust model makes sense here to allow low income families to become homeowners. The land trust model can be applied in two ways: The foreclosed, REO or blighted home can be purchase and renovated and resold to an eligible family OR the family can purchase a foreclosed or REO home directly with down payment assistance to acquire the land for the land trust. In some cases, a home may be so blighted that it cannot be repaired, so a replacement manufactured home will be placed on site on a permanent foundation. This neighborhood is so small that even one home would make an impact in the neighborhood. The manner in which the proposed project would meet the low income targeting goals is that all of the homes and funds would be used to assist very low income (<50% AMI) families. The project beneficiary assistance would be the opportunity to become a homeowner through the land trust model; which makes homes more affordable, backstops the homeowner when they enter financial problems and have been proved to have ¼ the foreclosure rate of non-land trust homes. The implementation and management of the program, which will occur in rural areas throughout Montana, will be by Trust Montana, an affiliate of NeighborWorks Montana. Trust Montana. Trust Montana was founded to have the ability receive donations of land, buildings or geographically targeted funds for permanent, affordable, land stewardship, where there is not an existing land trust. This ability avails the state’s more rural or frontier areas where the local capacity or organizational will to develop an independent CLT does not exist.

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature

Executive Director

Title

2/6/2011

Date

Neighborhood ID: 2800109

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: 509 1ST AVE SO Great Falls MT 59401

Grantee Email: srice@nwgf.org

Neighborhood Name: winnett

Date:2011-02-06 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 17

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 126

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 88.58

Percent Persons Less than 80% AMI: 59.52

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 61

Residential Addresses Vacant 90 or more days (USPS, March 2010): 0

Residential Addresses NoStat (USPS, March 2010): 20

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 3

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 28.6

Percent of Housing Units 90 or more days delinquent or in foreclosure: 11.3

Number of Foreclosure Starts in past year: 0

Number of Housing Units Real Estate Owned July 2009 to June 2010: 0

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 0

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9

Place (if place over 20,000) or county unemployment rate June 2005: 3.8

Place (if place over 20,000) or county unemployment rate June 2010: 5.4

*Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-108.366222 47.019823 -108.325195 47.017950 -108.321934 46.992665 -108.369312 46.995124

TUESDAY, FEBRUARY 08, 2011



HOME ABOUT PD&R RESEARCH FINDER



NSP3

Project Name : winnett

Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS HMDA
300699394881100000100R1	0	0	17	10	0
300699394901100000100R1	DATA SETS	88	17	10	0
300699396981100000100R1	124	124	17	10	60
30069939699999000100R1	2	78	17	10	38



SHRRE CONTACT US

Total Neighborhood Housing Units: 126
Neighborhood NSP3 Score: 17.60
State Minimum Threshold NSP3 Score: 10

Neighborhood Stabilization Program (NSP) provides grants to homeowners who have been foreclosed upon and are treating economic problems for their

Enter an Address, city or state Go

Select a State Select a County Go

Map Options : Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%): — Tract Outline

LOG OUT

NSP3 Options

13 Current Zoom Level

Show Tracts Outline (Zoom 11+)

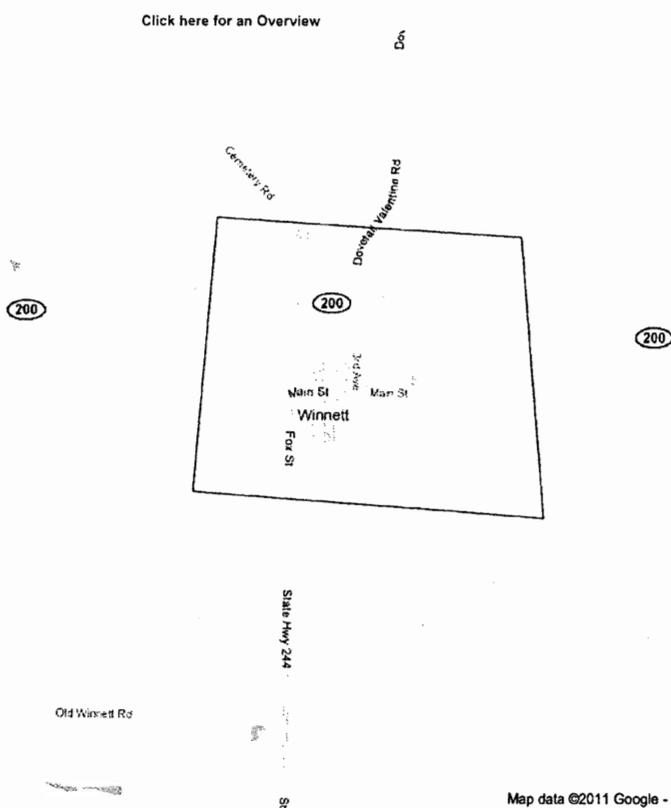
DRAW

VIEW DATA

VIEW PROJECTS

METHODOLOGY INSTRUCTIONS

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



Map data ©2011 Google -

TOWNSEND – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description
Intended Applicant Information	BROADWATER COUNTY	Name
	515 Broadway St	Mailing Address
	Townsend, MT 59644	City, State, Zip Code
	(406) 266-9236	Telephone Number
		Email
Intended Partner (Developer) Information	NEIGHBORWORKS MONTANA	Name
	NON PROFIT	Type of Entity
	509 1 ST AVENUE SOUTH	City, State, Zip Code
	GREAT FALLS MT 59401	
	406761-5861	Telephone Number
	INFO@NWM.T.ORG	Email
Activity Name	(Enter the name of Activity)	
Intended Uses	Select all that apply:	
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms
	<input type="checkbox"/>	
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/>	
<input checked="" type="checkbox"/>	Eligible Use C: Land Banking	
<input type="checkbox"/>		
<input checked="" type="checkbox"/>	Eligible Use D: Demolition	
<input type="checkbox"/>		
<input type="checkbox"/>	Eligible Use E: Redevelopment	
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)	
Program Types	(Please select from one of the identified Program Types from Section D) Grantee driven homeownership and buyer driven homeownership using the land trust model	
Location Description	The towns of Superior and St. Regis see HUD document attached	
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)	
	___ 100 ___ % is estimated to serve low income households	
	1	# Units will Serve 0% -50% AMI
	3	# Units will Serve 51% -120% AMI
	4	TOTAL # of Units
	25%	Amount of funds set-aside to serve 0% - 50% AMI
	75%	Amount of funds set-aside to serve 51% - 120% AMI
100%	TOTAL amount of MDOC - NSP3 funds	
Budget	Source of Funding	Dollar Amount
	MDOC - NSP3	\$200,000
	Line of Credit	\$200,000
Total Budget for Activity	\$400,000	
Current Site Status	Foreclosed, Real-Estate Owned by foreclosing party or vacant or blighted	
Projected Start Date	9/1/2011	

Projected End Date	8-31-2012
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2

Please provide brief description of proposed project: Depending on the circumstances of the buyer: 1) foreclosed, bank-owned, vacant and blighted homes will be purchased, renovated and sold to income qualified buyers (grantee-driven homeownership) or 2) foreclosed, bank-owned, vacant and blighted homes will be purchased with down payment assistance to the buyer (buyer-driven homeownership). All homes will be sold under the land trust model, insuring permanently affordable housing. In some cases, the purchased home may be demolished and replaced with a new manufactured home on a permanent foundation. The expected benefit to low income persons is that they will be able to become homeowners and will be able to enjoy the wealth building aspects of homeownership.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

The general outline of the Superior and St. Regis produced a HUD score of 12, as compared to a state minimum score of 10. The total units in the neighborhood are 1023. The income levels are 49% below 80% of AMI and 75% below 120% of AMI. 254 residential addresses indicate "NoStat" as of March 2010. Between 2004 and 2007, 187 homes were financed in the neighborhood, 28% with high cost mortgage products. Eight percent of the homes are in a foreclosure action and there were 12 foreclosure starts and 5 REO properties. The price of housing has declined 7% and the unemployment rate has more than doubled to 6.8%. This is an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment and a relatively low vacancy rate; so a land trust model makes sense here to allow low income families to become homeowners. The land trust model can be applied in two ways: The foreclosed, REO or blighted home can be purchased and renovated and resold to an eligible family OR the family can purchase a foreclosed or REO home directly with down payment assistance to acquire the land for the land trust. In some cases, a home may be so blighted that it cannot be repaired, so a replacement manufactured home will be placed on site on a permanent foundation. According to the HUD report, 2 homes would make an impact in the neighborhood, so the 4 homes in this proposal would double that impact. The manner in which the proposed project would meet the low income targeting goals is that 25% of the homes and funds would be used to assist very low income (<50% AMI) families. The project beneficiary assistance would be the opportunity to become a homeowner through the land trust model; which makes homes more affordable, backstops the homeowner when they enter financial problems and have been proved to have 1/4 the foreclosure rate of non-land trust homes. The implementation and management of the program, which will occur in rural areas throughout Montana, will be by Trust Montana, an affiliate of NeighborWorks Montana. Trust Montana was founded to have the ability receive donations of land, buildings or geographically targeted funds for permanent, affordable, land stewardship, where there is not an existing land trust. This ability avails the state's more rural or frontier areas where the local capacity or organizational will to develop an independent CLT does not exist.

Project Name : townsend tract

Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS	HMDA
300079357074575000100R1	415	415	12	10	423	76
300079357074575000100R2	542	542	12	10	553	99
300079357099999000100R1	65	65	12	10	66	12
300079357099999000100R2	1	10	12	10	10	2
300079359174575000200R1	0	0	7	10	0	0
300079359199999000200R1	0	542	7	10	461	133

Total Neighborhood Housing Units: 1023
 Neighborhood NSP3 Score: 12.00
 State Minimum Threshold NSP3 Score: 10

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature

Executive Director _____

Title

2/7/2011 _____

Date

Neighborhood ID: 6742004

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: 509 1ST AVE SO Great Falls MT 59401

Grantee Email: srice@nwgf.org

Neighborhood Name: townsend tract

Date:2011-02-03 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 12

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 1023

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 74.96

Percent Persons Less than 80% AMI: 48.53

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 1043

Residential Addresses Vacant 90 or more days (USPS, March 2010): 0

Residential Addresses NoStat (USPS, March 2010): 254

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 187

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 27.5

Percent of Housing Units 90 or more days delinquent or in foreclosure: 8

Number of Foreclosure Starts in past year: 12

Number of Housing Units Real Estate Owned July 2009 to June 2010: 5

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 2

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9

Place (if place over 20,000) or county unemployment rate June 2005: 2.9

Place (if place over 20,000) or county unemployment rate June 2010: 6.8

*Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

TUESDAY, FEBRUARY 08, 2011



HOME ABOUT PD&R RESEARCH FINDER



Enter an Address, city or state

Map Options : Clear | Reset

Click Mode: Zoom | Info

NSP3 Options

12 Current Zoom Level

Show Tracts Outline (Zoom 11+)

DRAW

METHODOLOGY INSTRUCTIONS

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.

NSP3

Project Name : townsend tract

Block Group	Neighborhood Housing Units	Block Group Score	Block Group Min	State Min	USPS HMDA
300079357074575000100R1	415	415	12	10	423 76
300079357074575000100R2	542	542	12	10	504 133
300079357099999000100R1	65	65	12	10	66 12
300079357099999000100R2	1	10	12	10	10 2
300079359174575000200R1	0	0	7	10	0 0
300079359199999000200R1	0	542	7	10	461 133

Neighborhood Stabilization Program Grants

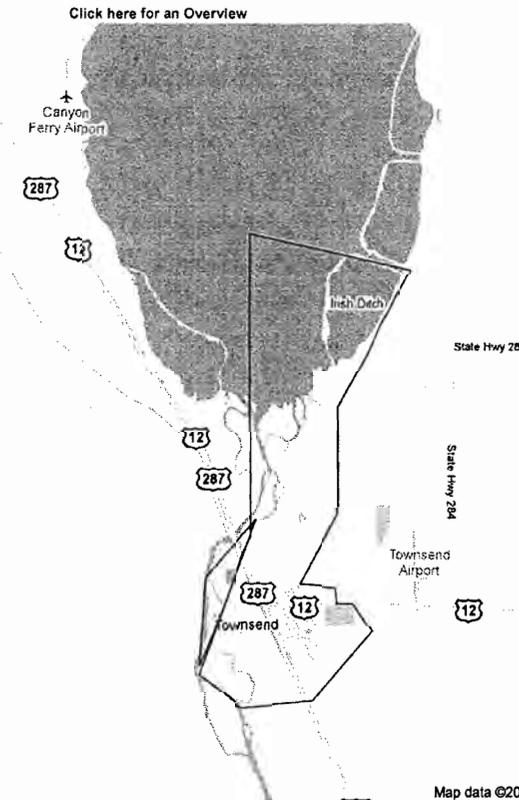
The Neighborhood Stabilization Program (NSP) provides grant to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities.

Total Neighborhood Housing Units: 1023
 Neighborhood NSP3 Score: 12.00
 State Minimum Threshold NSP3 Score: 10

Select a State Select a County

NSP3 Legend (%): Tract Outline

[LOG OUT](#)



Townsend

THOMPSON FALLS – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	SANDERS COUNTY	Name	
	111 MAIN	Mailing Address	
	THOMPSON FALLS, MT 59873	City, State, Zip Code	
	406.827.6942	Telephone Number	
	brooker@blackfoot.net	Email	
Intended Partner (Developer) Information	NEIGHBORWORKS MONTANA	Name	
	NON PROFIT	Type of Entity	
	509 1 ST AVENUE SOUTH	City, State, Zip Code	
	GREAT FALLS MT 59401`	Telephone Number	
	406761-5861	Email	
INFO@NWM.T.ORG			
Activity Name	(Enter the name of Activity)		
Intended Uses	Select all that apply:		
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/>		
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>		
<input checked="" type="checkbox"/>	Eligible Use C: Land Banking		
<input type="checkbox"/>			
<input checked="" type="checkbox"/>	Eligible Use D: Demolition		
<input type="checkbox"/>			
<input type="checkbox"/>	Eligible Use E: Redevelopment		
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)		
Program Types	(Please select from one of the identified Program Types from Section D) Grantee driven homeownership and buyer driven homeownership using the land trust model		
Location Description	The towns of Thompson Falls, Plains and Paradise see HUD document attached		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	___100___% is estimated to serve low income households		
	1	# Units will Serve 0% -50% AMI	
	3	# Units will Serve 51% -120% AMI	
	4	TOTAL # of Units	
	25%	Amount of funds set-aside to serve 0% - 50% AMI	
	75%	Amount of funds set-aside to serve 51% - 120% AMI	
100%	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding	Dollar Amount	
	MDOC - NSP3	\$200,000	
	Line of Credit	\$200,000	
Total Budget for Activity	\$400,000		
Current Site Status	Foreclosed, Real-Estate Owned by foreclosing party or vacant or blighted		
Projected Start Date	9/1/2011		

Projected End Date	8-31-2012
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2
Please provide brief description of proposed project: Depending on the circumstances of the buyer: 1) foreclosed, bank-owned, vacant and blighted homes will be purchased, renovated and sold to income qualified buyers (grantee-driven homeownership) or 2) foreclosed, bank-owned, vacant and blighted homes will be purchased with down payment assistance to the buyer (buyer-driven homeownership). All homes will be sold under the land trust model, insuring permanently affordable housing. In some cases, the purchased home may be demolished and replaced with a new manufactured home on a permanent foundation. The expected benefit to low income persons is that they will be able to become homeowners and will be able to enjoy the wealth building aspects of homeownership.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

The general outline of the Thompson Falls, Plains and Paradise produced a HUD score of 11.86, as compared to a state minimum score of 10. The total units in the neighborhood are 1449. The income levels are 51% below 80% of AMI and 75% below 120% of AMI. 213 residential addresses indicate "NoStat" as of March 2010. Between 2004 and 2007, 308 homes were financed in the neighborhood, 23% with high cost mortgage products. Eight percent of the homes are in a foreclosure action and there were 19 foreclosure starts and 8 REO properties. The price of housing has declined 7% and the unemployment rate has more than doubled to 13.3%. This is an area where foreclosure are largely due to a combination of falling home values, a recent spike in unemployment and a relatively low vacancy rate; so a land trust model makes sense here to allow low income families to become homeowners. The land trust model can be applied in two ways: The foreclosed, REO or blighted home can be purchase and renovated and resold to an eligible family OR the family can purchase a foreclosed or REO home directly with down payment assistance to acquire the land for the land trust. In some cases, a home may be so blighted that it cannot be repaired, so a replacement manufactured home will be placed on site on a permanent foundation. According to the HUD report, 4 home would make an impact in the neighborhood. The manner in which the proposed project would meet the low income targeting goals is that 25% of the homes and funds would be used to assist very low income (<50% AMI) families. The project beneficiary assistance would be the opportunity to become a homeowner through the land trust model; which makes homes more affordable, backstops the homeowner when they enter financial problems and have been proved to have ¼ the foreclosure rate of non-land trust homes. The implementation and management of the program, which will occur in rural areas throughout Montana, will be by Trust Montana, an affiliate of NeighborWorks Montana. Trust Montana. Trust Montana was founded to have the ability receive donations of land, buildings or geographically targeted funds for permanent, affordable, land stewardship, where there is not an existing land trust. This ability avails the state's more rural or frontier areas where the local capacity or organizational will to develop an independent CLT does not exist.

Project Name : t falls- plains- paradise						
Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS	HMDA
300899268856425000100R1	102	102	11	10	65	23
300899268858150000100R1	3	3	11	10	2	1
300899268858150000100R2	277	277	11	10	176	63
300899268858150000100R3	246	246	11	10	156	56
30089926889999000100R1	164	639	11	10	406	146
30089926889999000100R2	13	350	11	10	222	80
30089926889999000100R3	21	77	11	10	49	18
300899350773825000200R2	169	220	13	10	158	42
300899350773825000200R5	396	396	13	10	284	76
30089935079999000200R2	58	458	13	10	328	88
30089935079999000200R5	0	0	13	10	0	0

Total Neighborhood Housing Units: 1449
 Neighborhood NSP3 Score: 11.86
 State Minimum Threshold NSP3 Score: 10

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature

Executive Director

Title

2/7/2011 _____

Date

Neighborhood ID: 6219055

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: 509 1ST AVE SO Great Falls MT 59401

Grantee Email: srice@nwgf.org

Neighborhood Name: t falls- plains- paradise

Date:2011-02-06 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 11.86

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 1449

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 75.38

Percent Persons Less than 80% AMI: 50.91

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 972

Residential Addresses Vacant 90 or more days (USPS, March 2010): 0

Residential Addresses NoStat (USPS, March 2010): 213

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 308

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 23.3

Percent of Housing Units 90 or more days delinquent or in foreclosure: 7.53

Number of Foreclosure Starts in past year: 19

Number of Housing Units Real Estate Owned July 2009 to June 2010: 8

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 4

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9

Place (if place over 20,000) or county unemployment rate June 2005: 5.1

Place (if place over 20,000) or county unemployment rate June 2010: 13.3

Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

TUESDAY, FEBRUARY 08, 2011



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Click Mode: Zoom | Info

NSP3 Legend (%): Tract Outline

NSP3 Options

10 Current Zoom Level

Show Tracts Outline (Zoom 11+)

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The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.

NSP3

Project Name : t falls- plains- paradise

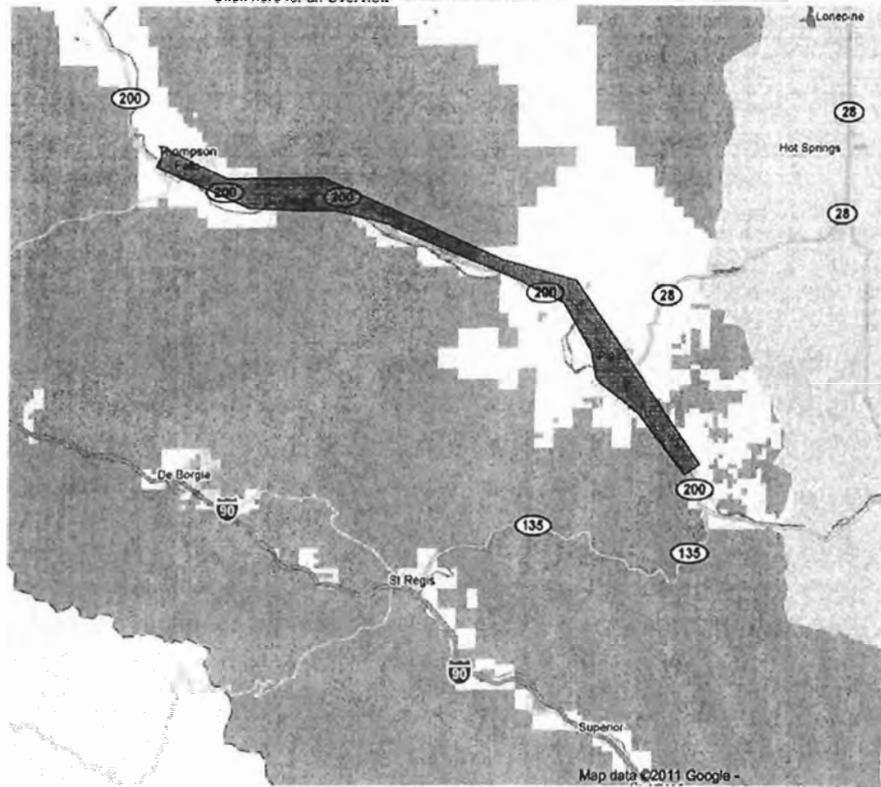
Block Group

Block Group	Neighborhood Housing Units	Group Housing Units	Block Score	State Min	USPS HMDA
300899268856425000100R1	102	102	11	10	65 23
300899268858150000100R1	3	3	11	10	176 63
300899268858150000100R2	277	277	11	10	156 56
300899268858150000100R3	246	246	11	10	406 146
30089926889999000100R1	164	639	11	10	222 80
30089926889999000100R2	13	350	11	10	284 76
300899350773825000200R1	198	396	13	10	328 88
300899350773825000200R2	58	458	13	10	0 0
30089935079999000200R5	0	0	13	10	0 0

PERIODIC REPORTS QUICK LINKS CONTACT

Select a State Select a County

Total Neighborhood Housing Units: 1449
Neighborhood NSP3 Score: 11.86
State Minimum Threshold NSP3 Score: 10



T Falls-Plains-Paradise

CUTBANK – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	TOWN OF CUT BANK	Name	
	221 West Main	Mailing Address	
	Cut Bank, MT 59427	City, State, Zip Code	
	406-873-5526	Telephone Number	
	mayor@cityofcutbank.org	Email	
Intended Partner (Developer) Information	NEIGHBORWORKS MONTANA	Name	
	NON PROFIT	Type of Entity	
	509 1 ST AVENUE SOUTH	City, State, Zip Code	
	GREAT FALLS MT 59401`	City, State, Zip Code	
	406761-5861	Telephone Number	
	INFO@NWM.T.ORG	Email	
Activity Name	(Enter the name of Activity)		
Intended Uses	Select all that apply:		
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/>		
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>		
<input checked="" type="checkbox"/>	Eligible Use C: Land Banking		
<input type="checkbox"/>			
<input checked="" type="checkbox"/>	Eligible Use D: Demolition		
<input type="checkbox"/>			
<input type="checkbox"/>	Eligible Use E: Redevelopment		
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)		
Program Types	(Please select from one of the identified Program Types from Section D) Grantee driven homeownership and buyer driven homeownership using the land trust model		
Location Description	The town of Cut Bank see HUD document attached		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	___100___% is estimated to serve low income households		
	1	# Units will Serve 0% -50% AMI	
	3	# Units will Serve 51% -120% AMI	
	4	TOTAL # of Units	
	25%	Amount of funds set-aside to serve 0% - 50% AMI	
	75%	Amount of funds set-aside to serve 51% - 120% AMI	
100%	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding	Dollar Amount	
	MDOC - NSP3	\$200,000	
	Line of Credit	\$200,000	
Total Budget for Activity	\$400,000		
Current Site Status	Foreclosed, Real-Estate Owned by foreclosing party or vacant or blighted		
Projected Start Date	9/1/2011		

Projected End Date	8-31-2012
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2

Please provide brief description of proposed project: Depending on the circumstances of the buyer: 1) foreclosed, bank-owned, vacant and blighted homes will be purchased, renovated and sold to income qualified buyers (grantee-driven homeownership) or 2) foreclosed, bank-owned, vacant and blighted homes will be purchased with down payment assistance to the buyer (buyer-driven homeownership). All homes will be sold under the land trust model, insuring permanently affordable housing. In some cases, the purchased home may be demolished and replaced with a new manufactured home on a permanent foundation. The expected benefit to low income persons is that they will be able to become homeowners and will be able to enjoy the wealth building aspects of homeownership.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

The general outline of the town of Cut Bank produced a HUD score of 11, as compared to a state minimum score of 10. The total units in the neighborhood are 1533. The income levels are 35% below 80% of AMI and 59% below 120% of AMI. Between 2004 and 2007, 233 homes were financed in the neighborhood, 20% with high cost mortgage products. Seven percent of the homes are more than 90 days delinquent. There were 13 foreclosure starts and 6 REO. The price of housing has declined 7% and the unemployment rate has doubled to 11.1%. This is an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment and a relatively low vacancy rate; so a land trust model makes sense here to allow low income families to become homeowners. The land trust model can be applied in two ways: The foreclosed, REO or blighted home can be purchased and renovated and resold to an eligible family OR the family can purchase a foreclosed or REO home directly with down payment assistance to acquire the land for the land trust. In some cases, a home may be so blighted that it cannot be repaired, so a replacement manufactured home will be placed on site on a permanent foundation. According to the HUD report, three homes would make an impact; so four homes will make a large difference. The manner in which the proposed project would meet the low income targeting goals is that all of the homes and funds would be used to assist very low income (<50% AMI) families. The project beneficiary assistance would be the opportunity to become a homeowner through the land trust model; which makes homes more affordable, backstops the homeowner when they enter financial problems and have been proved to have 1/4 the foreclosure rate of non-land trust homes. The implementation and management of the program, which will occur in rural areas throughout Montana, will be by Trust Montana, an affiliate of NeighborWorks Montana. Trust Montana was founded to have the ability receive donations of land, buildings or geographically targeted funds for permanent, affordable, land stewardship, where there is not an existing land trust. This ability avails the state's more rural or frontier areas where the local capacity or organizational will to develop an independent CLT does not exist.

Project Name : cut bank

Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS	HMDA
300359033699999940100R2	0	347	11	10	48	8
300359077718775976000R2	28	28	11	10	24	4
300359077718775976000U2	290	290	11	10	252	44
300359077718775976000U3	261	261	11	10	227	40
300359077718775976000U4	480	480	11	10	417	73
300359077718775976000U5	458	458	11	10	398	70
300359077799999976000R2	9	50	11	10	43	8
300359077799999976000R4	0	0	11	10	0	0
300359077799999976000U2	2	10	11	10	9	2
300359077799999976000U3	3	3	11	10	3	0
300359077799999976000U4	2	2	11	10	2	0
300359077799999976000U5	0	8	11	10	7	1

Total Neighborhood Housing Units: 1533

Neighborhood NSP3 Score: 11.00

State Minimum Threshold NSP3 Score: 10

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature

Executive Director

Title

2/6/2011

Date

Neighborhood ID: 6100677

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: 509 1ST AVE SO Great Falls MT 59401

Grantee Email: srice@nwgf.org

Neighborhood Name: cut bank

Date:2011-02-06 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 11

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 1533

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 58.87

Percent Persons Less than 80% AMI: 34.73

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current or potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 1333

Residential Addresses Vacant 90 or more days (USPS, March 2010): 124

Residential Addresses NoStat (USPS, March 2010): 30

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 233

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 19.6

Percent of Housing Units 90 or more days delinquent or in foreclosure: 7.2

Number of Foreclosure Starts in past year: 13

Number of Housing Units Real Estate Owned July 2009 to June 2010: 6

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 3

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9

Place (if place over 20,000) or county unemployment rate June 2005: 6.2

Place (if place over 20,000) or county unemployment rate June 2010: 11.1

*Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-112.362843 48.635858 -112.341213 48.651624 -112.307739 48.633135 -112.329197 48.615889

TUESDAY, FEBRUARY 08, 2011



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Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities

Enter an Address, city or state

Select a State Select a County

Map Options : Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%): Tract Outline

[LOG OUT](#)

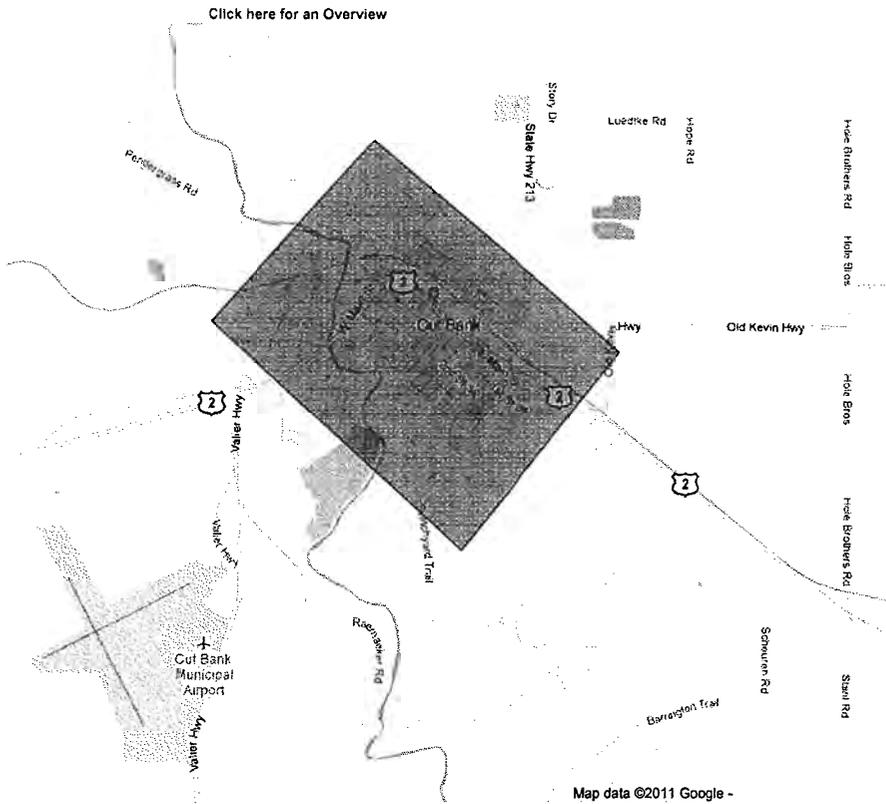
NSP3 Options

13 Current Zoom Level

Show Tracts Outline (Zoom 11+)

[METHODOLOGY](#) [INSTRUCTIONS](#)

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



Cut Bank

ALBERTON – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	Town of Alberton	Name	
	607 Railroad Avenue	Mailing Address	
	Alberton MT 59820	City, State, Zip Code	
	406) 722-3404	Telephone Number	
	email: townofalberton@blackfoot.net	Email	
Intended Partner (Developer) Information	NEIGHBORWORKS MONTANA	Name	
	NON PROFIT	Type of Entity	
	509 1 ST AVENUE SOUTH	City, State, Zip Code	
	GREAT FALLS MT 59401`	Telephone Number	
	406761-5861	Email	
	INFO@NWM.T.ORG		
Activity Name	(Enter the name of Activity)		
Intended Uses	Select all that apply:		
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/>		
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>		
<input checked="" type="checkbox"/>	Eligible Use C: Land Banking		
<input type="checkbox"/>			
<input checked="" type="checkbox"/>	Eligible Use D: Demolition		
<input type="checkbox"/>			
<input type="checkbox"/>	Eligible Use E: Redevelopment		
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)		
Program Types	(Please select from one of the identified Program Types from Section D) Grantee driven homeownership and buyer driven homeownership using the land trust model		
Location Description	The town of Alberton see HUD document attached		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	___100___% is estimated to serve low income households		
	1	# Units will Serve 0% -50% AMI	
	1	# Units will Serve 51% -120% AMI	
	2	TOTAL # of Units	
	50%	Amount of funds set-aside to serve 0% - 50% AMI	
	50%	Amount of funds set-aside to serve 51% - 120% AMI	
100%	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding	Dollar Amount	
	MDOC - NSP3	\$100,000	
	Line of Credit	\$100,000	

Total Budget for Activity	\$200,000
Current Site Status	Foreclosed, Real-Estate Owned by foreclosing party or vacant or blighted
Projected Start Date	9/1/2011
Projected End Date	8-31-2012
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2

Please provide brief description of proposed project: Depending on the circumstances of the buyer: 1) foreclosed, bank-owned, vacant and blighted homes will be purchased, renovated and sold to income qualified buyers (grantee-driven homeownership) or 2) foreclosed, bank-owned, vacant and blighted homes will be purchased with down payment assistance to the buyer (buyer-driven homeownership). All homes will be sold under the land trust model, insuring permanently affordable housing. In some cases, the purchased home may be demolished and replaced with a new manufactured home on a permanent foundation. The expected benefit to low income persons is that they will be able to become homeowners and will be able to enjoy the wealth building aspects of homeownership.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

The general outline of the town of Alberton produced a HUD score of 12, as compared to a state minimum score of 10. The total units in the neighborhood are 203. The income levels are 53% below 80% of AMI and 72% below 120\$ of AMI. Between 2004 and 2007, 58 homes were financed in the neighborhood, 29% with high cost mortgage products. Seven percent of the homes are more than 90 days delinquent. There were 3 foreclosure starts and 1 REO. The price of housing has declined 7% and the unemployment rate has risen to 11.1%. Thirty three addresses are reported as NoStat This is an area where foreclosure are largely due to a combination of falling home values, a recent spike in unemployment and a relatively low vacancy rate; so a land trust model makes sense here to allow low income families to become homeowners. The land trust model can be applied in two ways: The foreclosed, REO or blighted home can be purchase and renovated and resold to an eligible family OR the family can purchase a foreclosed or REO home directly with down payment assistance to acquire the land for the land trust. In some cases, a home may be so blighted that it cannot be repaired, so a replacement manufactured home will be placed on site on a permanent foundation. According to the HUD report, one home would make an impact; so two homes will make a large difference. The manner in which the proposed project would meet the low income targeting goals is that half of the homes and funds would be used to assist very low income (<50% AMI) families. The project beneficiary assistance would be the opportunity to become a homeowner through the land trust model; which makes homes more affordable, backstops the homeowner when they enter financial problems and have been proved to have ¼ the foreclosure rate of non-land trust homes. The implementation and management of the program, which will occur in rural areas throughout Montana, will be by Trust Montana, an affiliate of NeighborWorks Montana. Trust Montana. Trust Montana was founded to have the ability receive donations of land, buildings or geographically targeted funds for permanent, affordable, land stewardship, where there is not an existing land trust. This ability avails the state's more rural or frontier areas where the local capacity or organizational will to develop an independent CLT does not exist.

Project Name : alberton						
Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS	HMDA
300619004200700994500R2	180	180	12	10	141	51
300619004299999994500R2	23	202	12	10	158	58
30063921429999900900R5	0	981	3	10	1081	278

Total Neighborhood Housing Units: 203
 Neighborhood NSP3 Score: 12.00
 State Minimum Threshold NSP3 Score: 10

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature _____ **Executive Director** _____

Title
_____ **2/6/2011** _____

Date

Neighborhood ID: 5328063

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: 509 1ST AVE SO Great Falls MT 59401

Grantee Email: srice@nwgf.org

Neighborhood Name: alberton

Date:2011-02-06 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 12

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 203

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 71.68

Percent Persons Less than 80% AMI: 53.81

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 159

Residential Addresses Vacant 90 or more days (USPS, March 2010): 0

Residential Addresses NoStat (USPS, March 2010): 33

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 58

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 29.1

Percent of Housing Units 90 or more days delinquent or in foreclosure: 7.6

Number of Foreclosure Starts in past year: 3

Number of Housing Units Real Estate Owned July 2009 to June 2010: 1

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 1

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9

Place (if place over 20,000) or county unemployment rate June 2005: 4

Place (if place over 20,000) or county unemployment rate June 2010: 11.1

Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-114.495220 47.016429 -114.504662 47.009055 -114.487324 46.999924 -114.473248 46.999924
-114.451447 46.993953 -114.451618 47.009055

TUESDAY, FEBRUARY 08, 2011



HOME ABOUT PD&R RESEARCH FINDER



Neighborhood Stabilization Program Grants

NSP3

Project Name : alberton

Block Group	Neighborhood Housing Units	Block Group Housing	Block Group Score	State Min	USPS HMDA
300619004200700994500R2	180	180	12	10	141 51
300619004299999000000R5	23	23	2	10	1081 278
300639214299999000900R5	0	0	0	10	1081 278

Total Neighborhood Housing Units: 203
 Neighborhood NSP3 Score: 12.00
 State Minimum Threshold NSP3 Score: 10

NSP provides grant address the problems associated with homes that have been

Enter an Address, city or state Go

Select a State Select a County Go

Map Options : Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%): Tract Outline

LOG OUT

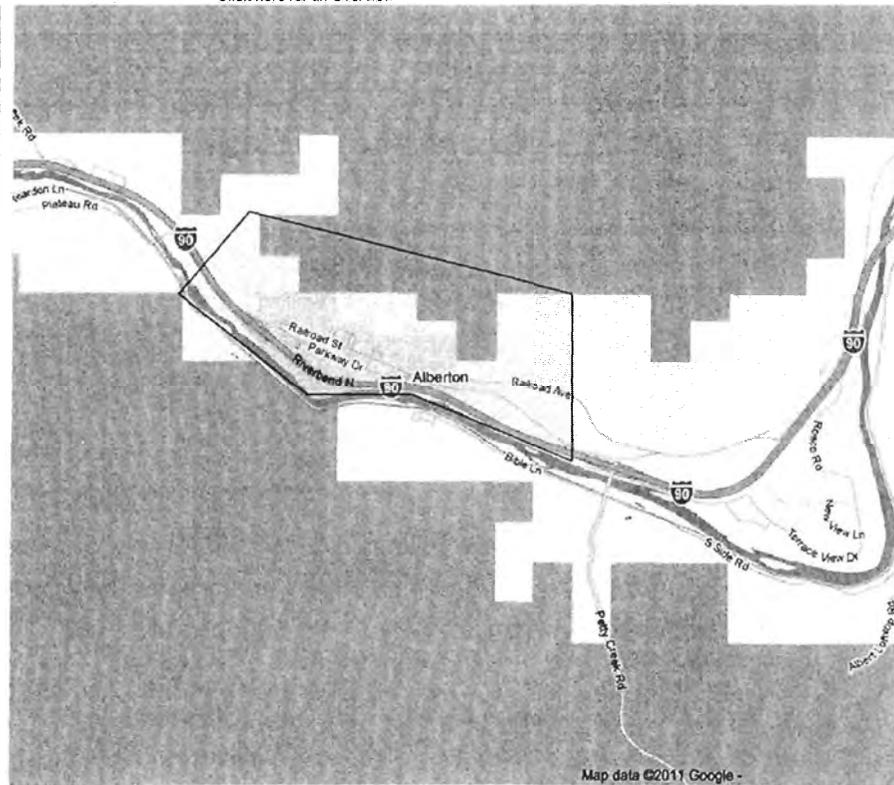
Click here for an Overview

NSP3 Options

13 Current Zoom Level

Show Tracts Outline (Zoom 11+)

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



Alberton

CHARLO – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	Lake County	Name	
	106 4 th Ave E	Mailing Address	
	Polson MT 59860	City, State, Zip Code	
	406-883-7204	Telephone Number	
	lakecommissioners@lakemt.gov	Email	
Intended Partner (Developer) Information	Lake County Community Housing	Name	
	CHDO 501c3	Type of Entity	
	PO Box 146	Mailing Address	
	Ronan MT 59864	City, State, Zip Code	
	406-676-5900	Telephone Number	
	janw@ronan.net	Email	
Activity Name	(Enter the name of Activity)		
Intended Uses	Select all that apply:		
	<input type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>	Eligible Use C: Land Banking	
	<input checked="" type="checkbox"/>	Eligible Use D: Demolition	
	<input checked="" type="checkbox"/>	Eligible Use E: Redevelopment	
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)		
Program Types	(Please select from one of the identified Program Types from Section D) Grantee purchases an 8 unit foreclosed apartment building in Charlo, demolishes a portion, rehabs and rents four the remaining four units		
Location Description	Tract Number 30047940600Tract NSP3 Need Score 10 State Minimum Qualifying NSP3 Score 10 HMDA Mortgages 2004 to 2007 165 Estimated Delinquent Mortgages (%) 6.6		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	100% is estimated to serve low income households		
	2	# Units will Serve 0% -50% AMI	
	2	# Units will Serve 51% -120% AMI	
	4	TOTAL # of Units	
		Amount of funds set-aside to serve 0% - 50% AMI	
	Amount of funds set-aside to serve 51% - 120% AMI		
	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding		Dollar Amount
	MDOC - NSP3		\$250,000
	MBOH Loan		\$50,000
Total Budget for Activity		\$300,000	
Current Site Status	Bank Owned		

Projected Start Date	10-1-2011
Projected End Date	
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2

Please provide brief description of proposed project:

The Charlo Apartments has four one bedroom units and four two bedroom units and has been repossessed by Lake County Bank of St Ignatius Montana. These units have been empty for 6 months and the property is in poor shape and could be considered blighted. A recent appraisal valued the property at \$180,000 and the bank would like \$160,000 for it. A building inspection noted several code defects in the building including lack of two hour fire walls, common attic and crawl space and unvented laundry facility. A contractor contacted by the appraiser outlined \$100,000 in costs to ready the building for rental, his estimate included removing the propane fired heaters and appliances, upgrading the electrical system, cleaning up the mold and increasing the fire barriers. The costs did not include improving the foundations or constructing fire barriers in the common attic or crawl space.

This project proposes to purchase the Charlo Apartments, demolish the four single bedroom apartments of the building that cannot be brought to code and rehabilitate the remaining four two bedroom units for rent. Due to limited borrowed funding the rents could be kept well below HOME rents to make the units very affordable for lower income residents in Lake County.

1. Preliminary Market Analysis

This project is based on a single foreclosure in Charlo, Montana; the Charlo census tract meets the criteria for an application by meeting the NSP needs score of 10. We believe that by using NSP funds to purchase a blighted foreclosed bank owned apartment building, demolishing the worst of it and rehabilitating the best of the building the Charlo community would greatly benefit.

According to City-data.com, Charlo has the following statistics:

21.6% of the residents in Charlo have an income that is at or below poverty level and 5.1% are at 50% of poverty.

The median household income at \$30,927 is well below the state average.

Low income families struggle to make the median rent of \$510 (gross rent is \$637).

35% of the households are renters.

Over 66% of the 177 housing units in town were constructed prior to 1980.

50 of the housing units are mobile homes.

The unemployment rate for Lake County is high at 10.4% which according to HUD makes improving rental opportunities the best strategy for NSP funding.

HUD documents one foreclosure in the last year and estimates that 6.6 homes are 90 days delinquent.

The only vacancy rate statistic found is from a Sterling survey that pegged it at 7.8% or about 5 vacancies, considering that six of the Charlo Apartment units have been vacant for over a year it would seem that there are not a lot of other empty units in town. The Lake County Housing waiting list has 16 of its 147 applicants waiting for units in Charlo that apparently cannot find affordable units. Many of these need very affordable units since only six have some employment while four live on SSI and another six depend on general assistance or child support.

2. Discussion of selected target area(s) and the program type

Charlo has a population of 463 and is located close to the center of Lake County, Montana. Charlo is not organized as a town and is governed by Lake County and its various districts such as water and sewer, fire and school. The MHI is \$30,927 and the median home value is \$131,857. Due to the high unemployment in Lake County NSP funds will probably have their greatest impact in improving the rental opportunities of the area.

NSP funds will be used to purchase a foreclosed apartment building, remove the blighted portion and rehabilitate the rest for low income rentals.

3. Discussion of the impact to the community from the intended project

The southeast corner of second street and second avenue in Charlo has a vacant two story apartment building that covers most of the 6500 square foot lot. This is right in the middle of a residential neighborhood consisting of well kept single family houses, with no empty lots and two blocks from the Charlo school. Removing the shabby half of this building will allow for off street parking for the inhabitants and much better appearance for the neighbors through landscaping and lot improvements. The occupation of an empty building will reduce blight and the opportunity for vandalism to creep into the community.

4. Summary that describes the manner in which the proposed project will meet the low income targeting goals:

Financing for the Charlo Apartments limits the cost of debt service allowing the owner to keep rents at an affordable \$450 to \$500 per month. These are rents that families earning 40% of the median household income for Lake County can afford and the rents can be kept low for the long term through the ownership of property by low income housing dedicated non-profit.

5. Project Beneficiary Assistance

The apartments will be owned by Lake County Community Housing, a HUD recognized CHDO dedicated to providing affordable housing opportunities for Lake County so the period of affordability will be as long as the CHDO owns the units. As indicated in the budget above, this project will cost \$250,000 in NSP funding and an anticipated \$50,000 in MBOH loan funds. This \$300,000 project will provide affordable rentals for four families for many years.

6. Implementation and Management

Lake County in conjunction with Lake County Community Housing and its affiliated City of Ronan Housing Authority has managed seven HOME grants that have provided homebuyer assistance to over 70 homebuyers since 1997. In addition the two housing organizations have used HOME, housing tax credits and USDA Rural Housing to construct, rehabilitate and manage 74 rental units throughout Lake County. In partnerships with the Cities of Polson and Ronan, the housing organizations have managed three CDBG rehab projects. So these organizations have demonstrated past capacity to manage complex projects.

This project will require the procurement of a design and construction manager, preferably an architect and bidding the project to a competent contractor. Draws and financial management will be handled by LCCHDO staff and Lake County's finance department. Since the property is owned by a small local bank, purchase should be finalized soon after the release of funds. Procurement of the project manager may take a month and finalizing the construction contract will be fairly simple. Demolition and construction is straight forward so project completion and rent up within eight months of release of funds is very feasible. Rent up to four lower income families in 2012 would be measure of success.

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.

Signature

Title

Date

Neighborhood ID: 9143890

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: PO Box 200523 Helena MT 59620

Grantee Email: banseth@mt.gov

Neighborhood Name: Charlo

Date:2011-02-07 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 10

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 178

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 78.36

Percent Persons Less than 80% AMI: 53.93

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 221

Residential Addresses Vacant 90 or more days (USPS, March 2010): 0

Residential Addresses NoStat (USPS, March 2010): 87

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 18
Percent of Housing Units with a high cost mortgage between 2004 and 2007: 20.6
Percent of Housing Units 90 or more days delinquent or in foreclosure: 6.6
Number of Foreclosure Starts in past year: 1
Number of Housing Units Real Estate Owned July 2009 to June 2010: 0

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 0

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9
Place (if place over 20,000) or county unemployment rate June 2005: 4.1
Place (if place over 20,000) or county unemployment rate June 2010: 9
Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-114.202023 47.442369 -114.138851 47.442834 -114.139538 47.413685 -114.200993 47.413917

FAIRFIELD – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	TETON COUNTY	Name	
	Box 610	Mailing Address	
	Choteau, MT 59610	City, State, Zip Code	
	406-466-215	Telephone Number	
	jdellwo@3rivers.net	Email	
Intended Partner (Developer) Information	NEIGHBORWORKS MONTANA	Name	
	NON PROFIT	Type of Entity	
	509 1 ST AVENUE SOUTH	City, State, Zip Code	
	GREAT FALLS MT 59401	Telephone Number	
	406761-5861	Email	
	INFO@NWMT.ORG		
Activity Name	(Enter the name of Activity)		
Intended Uses	Select all that apply:		
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/>		
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>		
<input checked="" type="checkbox"/>	Eligible Use C: Land Banking		
<input type="checkbox"/>			
<input checked="" type="checkbox"/>	Eligible Use D: Demolition		
<input type="checkbox"/>			
<input checked="" type="checkbox"/>	Eligible Use E: Redevelopment		
<input type="checkbox"/>			
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)		
Program Types	(Please select from one of the identified Program Types from Section D) Grantee driven homeownership and buyer driven homeownership using the land trust model		
Location Description	The town of Fairfield; see HUD document attached		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	_____ 25 _____ % is estimated to serve low income households		
	1	# Units will Serve 0% -50% AMI	
	3	# Units will Serve 51% -120% AMI	
	4	TOTAL # of Units	
	25%	Amount of funds set-aside to serve 0% - 50% AMI	
	75%	Amount of funds set-aside to serve 51% - 120% AMI	
100%	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding	Dollar Amount	
	MDOC - NSP3	\$200,000	
	Line of Credit	\$200,000	
Total Budget for Activity	\$400,000		
Current Site Status	Foreclosed, Real-Estate Owned by foreclosing party or vacant or blighted		

Projected Start Date	9/1/2011
Projected End Date	8-31-2012
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2
Please provide brief description of proposed project: Depending on the circumstances of the buyer: 1) foreclosed, bank-owned, vacant and blighted homes will be purchased, renovated and sold to income qualified buyers (grantee-driven homeownership) or 2) foreclosed, bank-owned, vacant and blighted homes will be purchased with down payment assistance to the buyer (buyer-driven homeownership). All homes will be sold under the land trust model, insuring permanently affordable housing. In some cases, the purchased home may be demolished and replaced with a new manufactured home on a permanent foundation. The expected benefit to low income persons is that they will be able to become homeowners and will be able to enjoy the wealth building aspects of homeownership.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

The general outline of the town of Fairfield produced a HUD score of 11, as compared to a state minimum score of 10. The total units in the neighborhood are 335. The income levels in Fairfield are low – 41% below 80% of AMI and 65% below 120\$ of AMI. Thirty residential addresses indicate “NoStat” as of March 2010. Between 2004 and 2007, 64 homes were financed in the Fairfield neighborhood, 31% with high cost mortgage products. There were 3 foreclosure starts and one REO in Fairfield. The price of housing has declined 7% and the unemployment rate has doubled to 5.4%. This is an area where foreclosure are largely due to a combination of falling home values, a recent spike in unemployment and a relatively low vacancy rate; so a land trust model makes sense here to allow low income families to become homeowners. The land trust model can be applied in two ways: The foreclosed, REO or blighted home can be purchase and renovated and resold to an eligible family OR the family can purchase a foreclosed or REO home directly with down payment assistance to acquire the land for the land trust. In some cases, a home may be so blighted that it cannot be repaired, so a replacement manufactured home will be placed on site on a permanent foundation. HUD’s report indicates that one home would make an impact in Fairfield, based on the HUD model; so this project, with four homes, would make 400% more impact. The manner in which the proposed project would meet the low income targeting goals is that 25% of the homes and funds would be used to assist very low income (<50% AMI) families. The project beneficiary assistance would be the opportunity to become a homeowner through the land trust model; which makes homes more affordable, backstops the homeowner when they enter financial problems and have been proved to have ¼ the foreclosure rate of non-land trust homes. The implementation and management of the program, which will occur in rural areas throughout Montana, will be by Trust Montana, an affiliate of NeighborWorks Montana. Trust Montana. Trust Montana was founded to have the ability receive donations of land, buildings or geographically targeted funds for permanent, affordable, land stewardship, where there is not an existing land trust. This ability avails the state’s more rural or frontier areas where the local capacity or organizational will to develop an independent CLT does not exist.

Project Name : Fairfield

Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS	HMDA
300999109225225000200R2	311	311	11	10	171	59
300999109299999000200R2	24	232	11	10	127	44

Total Neighborhood Housing Units: 335

Neighborhood NSP3 Score: 11.00

State Minimum Threshold NSP3 Score: 10

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature _____ **Executive Director** _____
Title
_____ **2/6/2011** _____
Date

Neighborhood ID: 5245391

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: 509 1ST AVE SO Great Falls MT 59401

Grantee Email: srice@nwgf.org

Neighborhood Name: fairfield

Date:2011-02-06 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 11

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 335

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 64.75

Percent Persons Less than 80% AMI: 40.71

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 184

Residential Addresses Vacant 90 or more days (USPS, March 2010): 0

Residential Addresses NoStat (USPS, March 2010): 30

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 64
Percent of Housing Units with a high cost mortgage between 2004 and 2007: 31.4
Percent of Housing Units 90 or more days delinquent or in foreclosure: 7.4
Number of Foreclosure Starts in past year: 3
Number of Housing Units Real Estate Owned July 2009 to June 2010: 1

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 1

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9
Place (if place over 20,000) or county unemployment rate June 2005: 2.7
Place (if place over 20,000) or county unemployment rate June 2010: 5.4
*Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard, vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-111.988621 47.620744 -111.970768 47.620281 -111.970425 47.608825 -111.989136 47.609172

TUESDAY, FEBRUARY 08, 2011



NSP3



Project Name : fairfield

Block Group	Neighborhood Housing Units	Block Group Housing Units	State Group Min Score	USPS HMDA
311	311	11	10	171

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Neighborhood Stabilization Program Grants

Total Neighborhood Housing Units: 335
 Neighborhood NSP3 Score: 11.00
 State Minimum Threshold NSP3 Score: 10

The Neighborhood Stabilization Program (NSP) provides grants to foreclosed upon and are creating economic problems for their communities.

Enter an Address, city or state Go

Select a State Select a County Go

Map Options : Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%): Tract Outline

LOG OUT

NSP3 Options

13 Current Zoom Level

Show Tracts Outline (Zoom 11+)

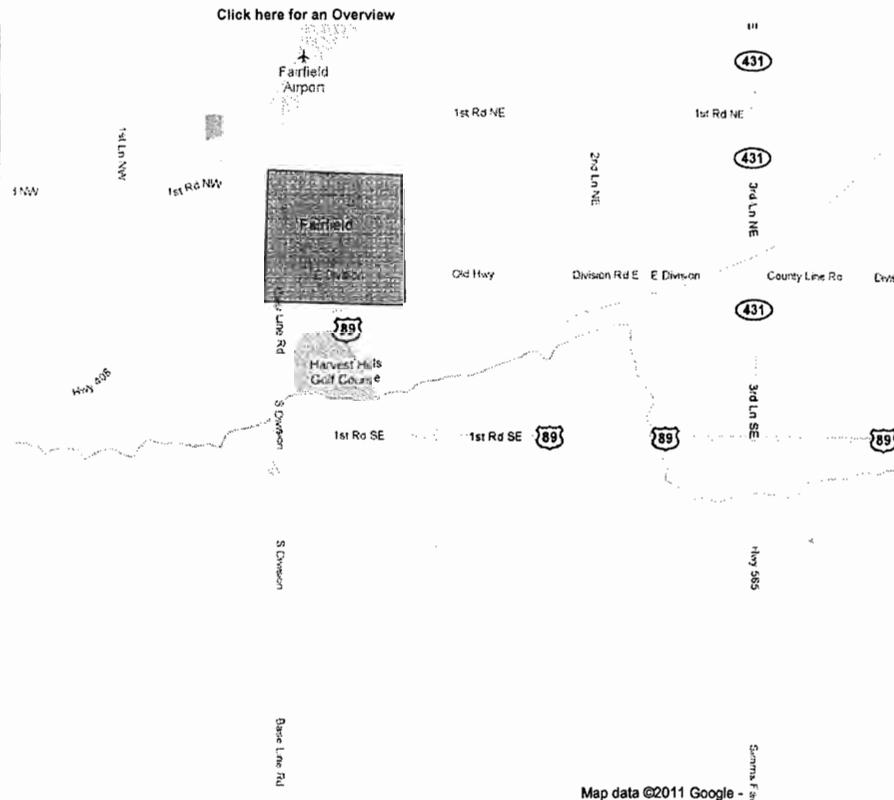
DRAW

VIEW DATA

VIEW PROJECTS

METHODOLOGY INSTRUCTIONS

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



Fairfield

BROWING – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	TOWN OF BROWNING	Name	
	201 EAST MAIN ST	Mailing Address	
	BROWNING MT 59417	City, State, Zip Code	
	406-338-2344	Telephone Number	
	TWNBRWNG@3RIVERS.NET	Email	
Intended Partner (Developer) Information	NEIGHBORWORKS MONTANA	Name	
	NON PROFIT	Type of Entity	
	509 1 ST AVENUE SOUTH	City, State, Zip Code	
	GREAT FALLS MT 59401	City, State, Zip Code	
	406761-5861	Telephone Number	
	INFO@NWM.T.ORG	Email	
Activity Name	(Enter the name of Activity)		
Intended Uses	Select all that apply:		
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/>		
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>		
<input checked="" type="checkbox"/>	Eligible Use C: Land Banking		
<input type="checkbox"/>			
<input checked="" type="checkbox"/>	Eligible Use D: Demolition		
<input type="checkbox"/>			
<input type="checkbox"/>	Eligible Use E: Redevelopment		
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)		
Program Types	(Please select from one of the identified Program Types from Section D) Grantee driven homeownership and buyer driven homeownership using the land trust model		
Location Description	The town of Browning see HUD document attached		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	___100___% is estimated to serve low income households		
	1	# Units will Serve 0% -50% AMI	
	3	# Units will Serve 51% -120% AMI	
	4	TOTAL # of Units	
	25%	Amount of funds set-aside to serve 0% - 50% AMI	
	75%	Amount of funds set-aside to serve 51% - 120% AMI	
100%	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding	Dollar Amount	
	MDOC - NSP3	\$200,000	
	Line of Credit	\$200,000	
Total Budget for Activity	\$400,000		
Current Site Status	Foreclosed, Real-Estate Owned by foreclosing party or vacant or blighted		
Projected Start Date	9/1/2011		

Projected End Date	8-31-2012
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2

Please provide brief description of proposed project: Depending on the circumstances of the buyer: 1) foreclosed, bank-owned, vacant and blighted homes will be purchased, renovated and sold to income qualified buyers (grantee-driven homeownership) or 2) foreclosed, bank-owned, vacant and blighted homes will be purchased with down payment assistance to the buyer (buyer-driven homeownership). All homes will be sold under the land trust model, insuring permanently affordable housing. In some cases, the purchased home may be demolished and replaced with a new manufactured home on a permanent foundation. The expected benefit to low income persons is that they will be able to become homeowners and will be able to enjoy the wealth building aspects of homeownership.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

The general outline of the town of Browning produced a HUD score of 14, as compared to a state minimum score of 10. The total units in the neighborhood are 1610. The income levels are low – 66% below 80% of AMI and 87% below 120\$ of AMI. Between 2004 and 2007, 11 homes were financed in the neighborhood, 27% with high cost mortgage products. There were 0 foreclosure starts and 0 REO. The price of housing has declined 7% and the unemployment rate has doubled to 11.1%. This is an area where foreclosure are largely due to a combination of falling home values, a recent spike in unemployment and a relatively low vacancy rate; so a land trust model makes sense here to allow low income families to become homeowners. The land trust model can be applied in two ways: The foreclosed, REO or blighted home can be purchase and renovated and resold to an eligible family OR the family can purchase a foreclosed or REO home directly with down payment assistance to acquire the land for the land trust. In some cases, a home may be so blighted that it cannot be repaired, so a replacement manufactured home will be placed on site on a permanent foundation. This neighborhood is visually distressed, so four homes will make a large difference. The manner in which the proposed project would meet the low income targeting goals is that all of the homes and funds would be used to assist very low income (<50% AMI) families. The project beneficiary assistance would be the opportunity to become a homeowner through the land trust model; which makes homes more affordable, backstops the homeowner when they enter financial problems and have been proved to have ¼ the foreclosure rate of non-land trust homes. The implementation and management of the program, which will occur in rural areas throughout Montana, will be by Trust Montana, an affiliate of NeighborWorks Montana. Trust Montana. Trust Montana was founded to have the ability receive donations of land, buildings or geographically targeted funds for permanent, affordable, land stewardship, where there is not an existing land trust. This ability avails the state’s more rural or frontier areas where the local capacity or organizational will to develop an independent CLT does not exist.

Project Name : browning ct

Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS	HMDA
300359033610375940200U1	4	4	14	10	0	0
300359033610375940200U2	136	136	14	10	0	1
300359033610375940200U3	241	241	14	10	0	2
300359033610375940200U4	26	26	14	10	0	0
300359033654510940200R1	74	75	14	10	0	1
300359033654510940200R2	5	5	14	10	0	0
300359033654510940200U1	553	553	14	10	0	4
300359033654510940200U2	12	12	14	10	0	0
300359033654510940200U3	0	0	14	10	0	0
300359033669680940200R4	57	57	14	10	0	0
300359033669680940200U2	26	26	14	10	0	0
300359033669680940200U4	435	435	14	10	0	3
30035903369999940200R1	0	0	14	10	0	0
30035903369999940200R2	41	41	14	10	0	0

Total Neighborhood Housing Units: 1610
 Neighborhood NSP3 Score: 14.00
 State Minimum Threshold NSP3 Score: 10

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature

Executive Director

Title

2/6/2011

Date

Neighborhood ID: 6809844

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: 509 1ST AVE SO Great Falls MT 59401

Grantee Email: srice@nwgf.org

Neighborhood Name: browning ct

Date:2011-02-04 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 14

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 1610

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 86.89

Percent Persons Less than 80% AMI: 66.06

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 0

Residential Addresses Vacant 90 or more days (USPS, March 2010): 0

Residential Addresses NoStat (USPS, March 2010): 0

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 11

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 27.3

Percent of Housing Units 90 or more days delinquent or in foreclosure: 8.9

Number of Foreclosure Starts in past year: 0

Number of Housing Units Real Estate Owned July 2009 to June 2010: 0

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 0

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9

Place (if place over 20,000) or county unemployment rate June 2005: 6.2

Place (if place over 20,000) or county unemployment rate June 2010: 11.1

Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

TUESDAY, FEBRUARY 08, 2011



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Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities.

Enter an Address, city or state

Select a State

Select a County

Map Options : Clear | Reset

Click Mode: Zoom | Info

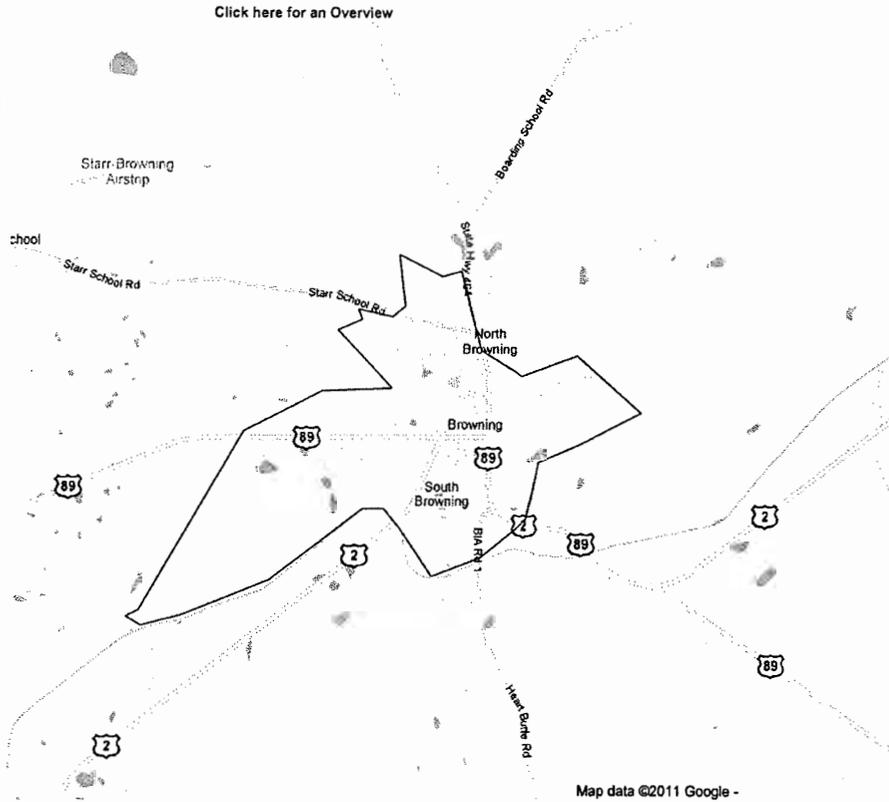
NSP3 Legend (%): Tract Outline

NSP3 Options

12 Current Zoom Level

Show Tracts Outline (Zoom 11+)

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



Map data ©2011 Google -

Browning

DEER LODGE – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	POWELL COUNTY	Name	
	409 Missouri Ave	Mailing Address	
	Deer Lodge, MT 59722	City, State, Zip Code	
	406-846-3680	Telephone Number	
	cpohle@co.powell.mt.us	Email	
Intended Partner (Developer) Information	NEIGHBORWORKS MONTANA	Name	
	NON PROFIT	Type of Entity	
	509 1 ST AVENUE SOUTH	City, State, Zip Code	
	GREAT FALLS MT 59401`	Telephone Number	
	406761-5861	Email	
INFO@NWM.T.ORG			
Activity Name	(Enter the name of Activity)		
Intended Uses	Select all that apply:		
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input checked="" type="checkbox"/>	Eligible Use C: Land Banking	
	<input checked="" type="checkbox"/>	Eligible Use D: Demolition	
<input type="checkbox"/>	Eligible Use E: Redevelopment		
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)		
Program Types	(Please select from one of the identified Program Types from Section D) Grantee driven homeownership and buyer driven homeownership using the land trust model		
Location Description	The town of Deer Lodge see HUD document attached		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	___ 100 ___ % is estimated to serve low income households		
	1	# Units will Serve 0% -50% AMI	
	1	# Units will Serve 51% -120% AMI	
	2	TOTAL # of Units	
	50%	Amount of funds set-aside to serve 0% - 50% AMI	
	50%	Amount of funds set-aside to serve 51% - 120% AMI	
100%	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding	Dollar Amount	
	MDOC - NSP3	\$100,000	
	Line of Credit	\$100,000	
Total Budget for Activity	\$200,000		
Current Site Status	Foreclosed, Real-Estate Owned by foreclosing party or vacant or blighted		
Projected Start Date	9/1/2011		

Projected End Date	8-31-2012
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2

Please provide brief description of proposed project: Depending on the circumstances of the buyer: 1) foreclosed, bank-owned, vacant and blighted homes will be purchased, renovated and sold to income qualified buyers (grantee-driven homeownership) or 2) foreclosed, bank-owned, vacant and blighted homes will be purchased with down payment assistance to the buyer (buyer-driven homeownership). All homes will be sold under the land trust model, insuring permanently affordable housing. In some cases, the purchased home may be demolished and replaced with a new manufactured home on a permanent foundation. The expected benefit to low income persons is that they will be able to become homeowners and will be able to enjoy the wealth building aspects of homeownership.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

The general outline of the town of Deer Lodge produced a HUD score of 12, as compared to a state minimum score of 10. The total units in the neighborhood are 1679. The income levels are 43% below 80% of AMI and 70% below 120% of AMI. 87 residential addresses indicate "NoStat" as of March 2010. Between 2004 and 2007, 177 homes were financed in the neighborhood, 34% with high cost mortgage products. Eight percent of the homes are in a foreclosure action and there were 10 foreclosure starts and 4 REO properties. The price of housing has declined 7% and the unemployment rate has gone up to 8.7%. This is an area where foreclosure are largely due to a combination of falling home values, a recent spike in unemployment and a relatively low vacancy rate; so a land trust model makes sense here to allow low income families to become homeowners. The land trust model can be applied in two ways: The foreclosed, REO or blighted home can be purchase and renovated and resold to an eligible family OR the family can purchase a foreclosed or REO home directly with down payment assistance to acquire the land for the land trust. In some cases, a home may be so blighted that it cannot be repaired, so a replacement manufactured home will be placed on site on a permanent foundation. According to the HUD report, 2 homes would make an impact in the neighborhood. The manner in which the proposed project would meet the low income targeting goals is that 50% of the homes and funds would be used to assist very low income (<50% AMI) families. The project beneficiary assistance would be the opportunity to become a homeowner through the land trust model; which makes homes more affordable, backstops the homeowner when they enter financial problems and have been proved to have 1/3 the foreclosure rate of non-land trust homes. The implementation and management of the program, which will occur in rural areas throughout Montana, will be by Trust Montana, an affiliate of NeighborWorks Montana. Trust Montana. Trust Montana was founded to have the ability receive donations of land, buildings or geographically targeted funds for permanent, affordable, land stewardship, where there is not an existing land trust. This ability avails the state's more rural or frontier areas where the local capacity or organizational will to develop an independent CLT does not exist.

Project Name : deer lodge

Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS	HMDA
300779086119825000200R5	0	0	12	10	0	0
300779086119825000200U1	295	310	12	10	301	33
300779086119825000200U2	485	485	12	10	470	51
300779086119825000200U3	319	319	12	10	309	34
300779086119825000200U4	529	529	12	10	513	56
300779086199999000200R5	0	295	12	10	286	31
300779086199999000200U1	4	41	12	10	40	4
300779086199999000200U2	1	1	12	10	1	0
300779086199999000200U3	0	24	12	10	23	3
300779086199999000200U4	46	70	12	10	68	7

Total Neighborhood Housing Units: 1679

Neighborhood NSP3 Score: 12.00

State Minimum Threshold NSP3 Score: 10

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature

Executive Director

Title

2/7/2011

Date

Neighborhood ID: 8174346

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: 509 1ST AVE SO Great Falls MT 59401

Grantee Email: srice@nwgf.org

Neighborhood Name: deer lodge

Date:2011-02-06 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 12

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 1679

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 69.24

Percent Persons Less than 80% AMI: 41.82

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 1628

Residential Addresses Vacant 90 or more days (USPS, March 2010): 73

Residential Addresses NoStat (USPS, March 2010): 87

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 177

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 34.4

Percent of Housing Units 90 or more days delinquent or in foreclosure: 7.8

Number of Foreclosure Starts in past year: 10

Number of Housing Units Real Estate Owned July 2009 to June 2010: 4

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 2

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9

Place (if place over 20,000) or county unemployment rate June 2005¹: 4.8

Place (if place over 20,000) or county unemployment rate June 2010¹: 8.7

¹Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-112.753201 46.406025 -112.712860 46.405552 -112.712688 46.388859 -112.753029 46.388030

TUESDAY, FEBRUARY 08, 2011



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Click Mode: Zoom | Info

NSP3 Options

13 Current Zoom Level

Show Tracts Outline (Zoom 11+)

DRAW

VIEW DATA

VIEW PROJECTS

METHODOLOGY INSTRUCTIONS

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.

NSP3

Project Name : deer lodge

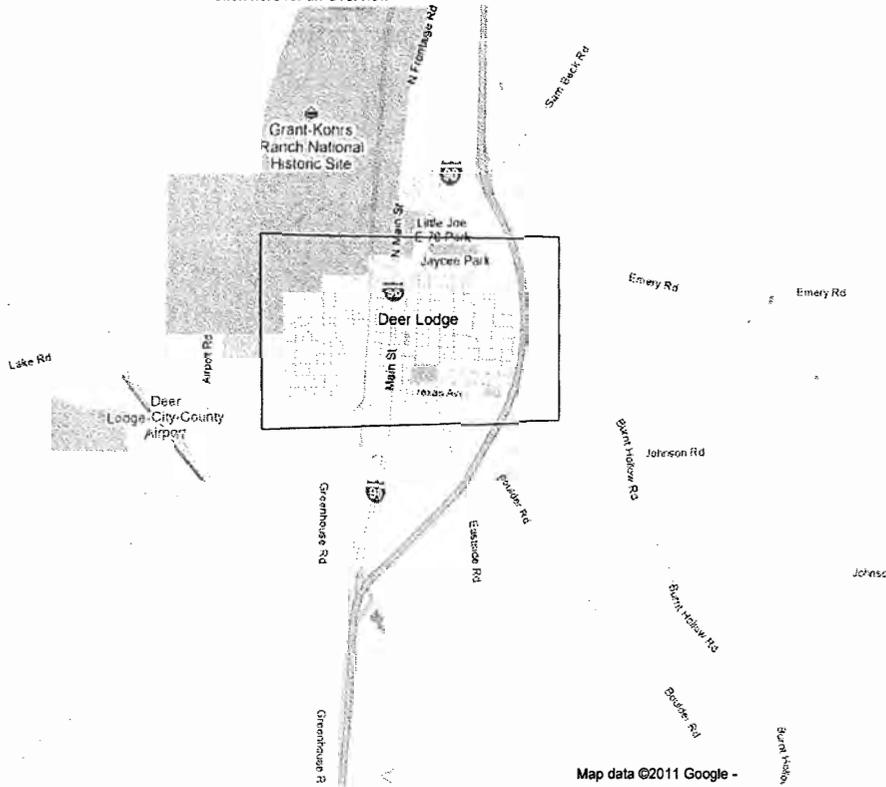
Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS HMDA
300779086119825000200R5	0	0	12	10	0
300779086119825000200R1	295	295	12	10	0
300779086119825000200U2	485	485	12	10	470
300779086119825000200U3	319	319	12	10	309
300779086119825000200U4	529	529	12	10	513
300779086199999000200R5	0	295	12	10	286
300779086199999000200R7	0	24	12	10	23
300779086199999000200R9	0	24	12	10	23
300779086199999000200U4	46	70	12	10	68

Neighborhood Stabilization Program (NSP) provides grant to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities.

Total Neighborhood Housing Units: 1679
 Neighborhood NSP3 Score: 12.00
 State Minimum Threshold NSP3 Score: 10

NSP3 Legend (%): Tract Outline

Click here for an Overview



Map data ©2011 Google -

CASCADE COUNTY – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	Cascade County	Name	
	County Courthouse	Mailing Address	
	Great Falls, MT 59401	City, State, Zip Code	
	(406) 454-6815	Telephone Number	
	jbriggs@co.cascade.mt.us	Email	
Intended Partner (Developer) Information	NEIGHBORWORKS MONTANA	Name	
	NON PROFIT	Type of Entity	
	509 1 ST AVENUE SOUTH	City, State, Zip Code	
	GREAT FALLS MT 59401	City, State, Zip Code	
	406761-5861	Telephone Number	
	INFO@NWM.T.ORG	Email	
Activity Name	(Enter the name of Activity)		
Intended Uses	Select all that apply:		
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/>		
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>		
	<input checked="" type="checkbox"/>	Eligible Use C: Land Banking	
<input type="checkbox"/>			
<input checked="" type="checkbox"/>	Eligible Use D: Demolition		
<input type="checkbox"/>			
<input checked="" type="checkbox"/>	Eligible Use E: Redevelopment		
<input type="checkbox"/>			
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)		
Program Types	(Please select from one of the identified Program Types from Section D) Grantee driven homeownership and buyer driven homeownership using the land trust model		
Location Description	The property known as the Frates property west of Malmstrom Air Force Base see HUD document attached		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	_____100_____ % is estimated to serve low income households		
	2	# Units will Serve 0% -50% AMI	
	8	# Units will Serve 51% -120% AMI	
	10	TOTAL # of Units	
	25%	Amount of funds set-aside to serve 0% - 50% AMI	
	75%	Amount of funds set-aside to serve 51% - 120% AMI	
	100%	TOTAL amount of MDOC - NSP3 funds	
Budget	Source of Funding		Dollar Amount
	MDOC - NSP3		\$1,000,000
	Line of Credit		\$1,000,000
Total Budget for Activity		\$2,000,000	
Current Site Status	Foreclosed, Real-Estate Owned by foreclosing party or vacant or blighted		

Projected Start Date	9/1/2011
Projected End Date	8-31-2012
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2

Please provide brief description of proposed project: The Frates property is a deplorable old trailer park, currently in foreclosure. The park has been disinvested and holds about five homes today (out of 30 possible sites). This project would purchase the Frates property out of foreclosure and redevelop it into multiple uses, including a new manufactured housing community, townhome duplexes and some commercial development on the 2nd Avenue frontage.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

The general outline of this neighborhood produced a HUD score of 19, one of the highest in the state, as compared to a state minimum score of 10. The total units in the neighborhood are 2635. The income levels are 46% below 80% of AMI and 78% below 120% of AMI. 436 residential addresses indicate "NoStat" as of March 2010 and 172 addresses have been vacant for more than 90 days. Between 2004 and 2007, 40% of the homes in the neighborhood were financed with high cost mortgage products. Fifteen percent of the homes are in a foreclosure action. The price of housing has declined 4% and the unemployment rate has gone up to 5.7%. This is an area where the land can be redeveloped into a truly valuable source of affordable housing, at the same time, the deplorable conditions of the site, including trailers that should be demolished, water and sewer lines that need to be replaced, can be improved. The visual effect will be phenomenal, as this property has been on the city's targeted blight list for years. Ten homes, along with the demolition of the dilapidated homes will make an tremendous impact in the neighborhood. The manner in which the proposed project would meet the low income targeting goals is that 25% of the homes and funds would be used to assist very low income (<50% AMI) families. The project beneficiary assistance would be: 1) the opportunity to become a homeowner through the resident-owned community model; which makes homes more affordable, backstops the homeowner when they enter financial problems and assures permanently affordable housing; 2) the creation of small lot townhomes which are more affordable to low income families. All of the homes will be new and Energy Star certified. The implementation and management of the program will be by NeighborWorks Great Falls, the organization that had the first NSP1 grant and the first completed NSP1 home and has successfully completed 12 NSP1 homes

Tract Number	30013001200
Tract NSP3 Need Score	19
State Minimum Qualifying NSP3 Score	10
HMDA Mortgages 2004 to 2007	5
Estimated Delinquent Mortgages (%)	14.7
Total USPS Residential Addresses	2252
USPS Residential Addresses Vacant 90+ days	172
USPS Residential Addresses NoStat	436

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature

Executive Director

Title

2/7/2011

Date

Neighborhood ID: 5732635

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: 509 1ST AVE SO Great Falls MT 59401

Grantee Email: srice@nwgf.org

Neighborhood Name: Frates

Date:2011-02-08 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 18.87

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 2655

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 78.04

Percent Persons Less than 80% AMI: 46.18

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 2274

Residential Addresses Vacant 90 or more days (USPS, March 2010): 173

Residential Addresses NoStat (USPS, March 2010): 437

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 11

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 39.84

Percent of Housing Units 90 or more days delinquent or in foreclosure: 14.61

Number of Foreclosure Starts in past year: 1

Number of Housing Units Real Estate Owned July 2009 to June 2010: 0

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 0

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -4.1

Place (if place over 20,000) or county unemployment rate June 2005¹: 3.2

Place (if place over 20,000) or county unemployment rate June 2010¹: 5.7

¹Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

TUESDAY, FEBRUARY 08, 2011



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Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities.

Enter an Address, city or state Go

Select a State Select a County Go

Map Options : Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%): Tract Outline

LOG OUT

NSP3 Options

12 Current Zoom Level

Show Tracts Outline (Zoom 11+)

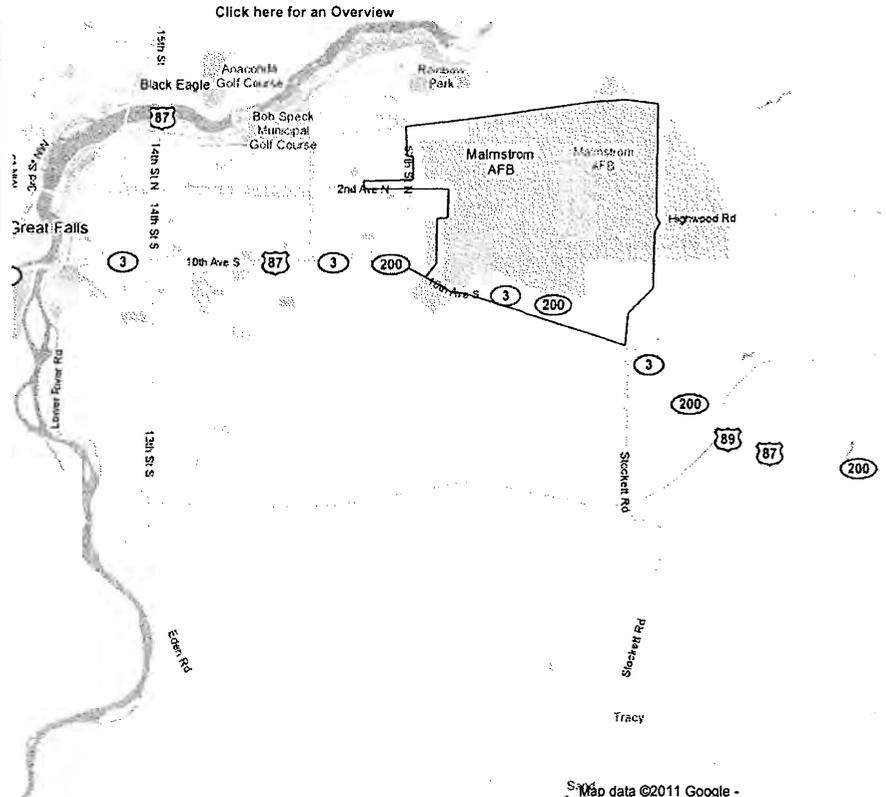
DRAW

VIEW DATA

VIEW PROJECTS

METHODOLOGY INSTRUCTIONS

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



Map data ©2011 Google

Frates

OVANDO/HELMVILLE – INTENT TO APPLY

DATE OF APPLICATION

DATE RECEIVED (AGENCY USE ONLY)

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	POWELL COUNTY	Name	
	409 Missouri Ave	Mailing Address	
	Deer Lodge, MT 59722	City, State, Zip Code	
	406-846-3680	Telephone Number	
	cpohle@co.powell.mt.us	Email	
Intended Partner (Developer) Information	NEIGHBORWORKS MONTANA	Name	
	NON PROFIT	Type of Entity	
	509 1 ST AVENUE SOUTH	City, State, Zip Code	
	GREAT FALLS MT 59401	City, State, Zip Code	
	406761-5861	Telephone Number	
	INFO@NWM.T.ORG	Email	
Activity Name	(Enter the name of Activity)		
Intended Uses	Select all that apply:		
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/>		
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>		
<input checked="" type="checkbox"/>	Eligible Use C: Land Banking		
<input type="checkbox"/>			
<input checked="" type="checkbox"/>	Eligible Use D: Demolition		
<input type="checkbox"/>			
<input type="checkbox"/>	Eligible Use E: Redevelopment		
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)		
Program Types	(Please select from one of the identified Program Types from Section D) Grantee driven homeownership and buyer driven homeownership using the land trust model		
Location Description	The communities of Ovando and Helmville see HUD document attached		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	___100___ % is estimated to serve low income households		
	1	# Units will Serve 0% -50% AMI	
		# Units will Serve 51% -120% AMI	
	1	TOTAL # of Units	
	100%	Amount of funds set-aside to serve 0% - 50% AMI	
%	Amount of funds set-aside to serve 51% - 120% AMI		
100%	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding		Dollar Amount
	MDOC - NSP3		\$50,000
	Line of Credit		\$50,000
Total Budget for Activity		\$100,000	
Current Site Status	Foreclosed, Real-Estate Owned by foreclosing party or vacant or blighted		
Projected Start Date	9/1/2011		

Projected End Date	8-31-2012
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2

Please provide brief description of proposed project: Depending on the circumstances of the buyer: 1) foreclosed, bank-owned, vacant and blighted homes will be purchased, renovated and sold to income qualified buyers (grantee-driven homeownership) or 2) foreclosed, bank-owned, vacant and blighted homes will be purchased with down payment assistance to the buyer (buyer-driven homeownership). All homes will be sold under the land trust model, insuring permanently affordable housing. In some cases, the purchased home may be demolished and replaced with a new manufactured home on a permanent foundation. The expected benefit to low income persons is that they will be able to become homeowners and will be able to enjoy the wealth building aspects of homeownership.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

The general outline of the towns of Ovando and Helmsville and the rural areas between produced a HUD score of 12, as compared to a state minimum score of 10. The total units in the neighborhood are 50. The income levels are 46% below 80% of AMI and 72% below 120% of AMI. 3 residential addresses indicate "NoStat" as of March 2010. Between 2004 and 2007, 4 homes were financed in the neighborhood, 23% with high cost mortgage products. Eight percent of the homes are in a foreclosure action and there were 0 foreclosure starts and 0 REO properties. The price of housing has declined 7% and the unemployment rate has gone up to 8.7%. This is an area where foreclosure are largely due to a combination of falling home values, a recent spike in unemployment and a relatively low vacancy rate; so a land trust model makes sense here to allow low income families to become homeowners. The land trust model can be applied in two ways: The foreclosed, REO or blighted home can be purchase and renovated and resold to an eligible family OR the family can purchase a foreclosed or REO home directly with down payment assistance to acquire the land for the land trust. In some cases, a home may be so blighted that it cannot be repaired, so a replacement manufactured home will be placed on site on a permanent foundation. One home will make an impact in the neighborhood in this small neighborhood. The manner in which the proposed project would meet the low income targeting goals is that 100% of the homes and funds would be used to assist very low income (<50% AMI) families. The project beneficiary assistance would be the opportunity to become a homeowner through the land trust model; which makes homes more affordable, backstops the homeowner when they enter financial problems and have been proved to have ¼ the foreclosure rate of non-land trust homes. The implementation and management of the program, which will occur in rural areas throughout Montana, will be by Trust Montana, an affiliate of NeighborWorks Montana. Trust Montana. Trust Montana was founded to have the ability receive donations of land, buildings or geographically targeted funds for permanent, affordable, land stewardship, where there is not an existing land trust. This ability avails the state's more rural or frontier areas where the local capacity or organizational will to develop an independent CLT does not exist.

Project Name : ovando - helmsville

Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS	HMDA
300779174356125000100R1	31	46	12	10	26	4
30077917439999000100R1	19	388	12	10	222	36

Total Neighborhood Housing Units: 50

Neighborhood NSP3 Score: 12.00

State Minimum Threshold NSP3 Score:

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature _____ **Executive Director** _____

Title
_____ **2/7/2011** _____

Date

Neighborhood ID: 6517883

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: 509 1ST AVE SO Great Falls MT 59401

Grantee Email: srice@nwgf.org

Neighborhood Name: ovando - helmville

Date:2011-02-06 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 12

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 50

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 71.91

Percent Persons Less than 80% AMI: 45.76

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 28

Residential Addresses Vacant 90 or more days (USPS, March 2010): 0

Residential Addresses NoStat (USPS, March 2010): 3

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 4

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 23.3

Percent of Housing Units 90 or more days delinquent or in foreclosure: 7.7

Number of Foreclosure Starts in past year: 0

Number of Housing Units Real Estate Owned July 2009 to June 2010: 0

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 0

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9

Place (if place over 20,000) or county unemployment rate June 2005*: 4.8

Place (if place over 20,000) or county unemployment rate June 2010*: 8.7

*Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-113.140125 47.023685 -113.114033 47.023802 -112.959881 46.863830 -112.973957 46.848921

Blocks Comprising Target Neighborhood

300770001001120, 300770001001117, 300770001001118, 300770001001119, 300770001001116,
300770001001236, 300770001001233, 300770001001231, 300770001001153, 300770001001133,
300770001001131, 300770001001089,

TUESDAY, FEBRUARY 08, 2011



HOME ABOUT PD&R RESEARCH FINDER

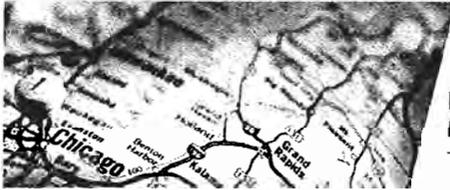
NSP3

Block Group	Neighborhood Housing Units	Group	Block Group	Block Group	State Min	USPS HMDA
300779174356125000100R1	31	46	12	10	26	4
3007917439999100100R1	19	19	10	10	26	4

Project Name : ovando - helmville

Total Neighborhood Housing Units: 50
 Neighborhood NSP3 Score: 12.00
 State Minimum Threshold NSP3 Score: 10

The Neighborhood Stabilization Program (NSP) provides grants for foreclosed upon and are creating economic problems for their communities



Neighborhood Stabilization Program Grants

Enter an Address, city or state Go

Select a State Select a County Go

Map Options : Clear | Reset
Click Mode: Zoom | Info

NSP3 Legend (%): Tract Outline

LOG OUT

NSP3 Options

Current Zoom Level

Show Tracts Outline (Zoom 11+)

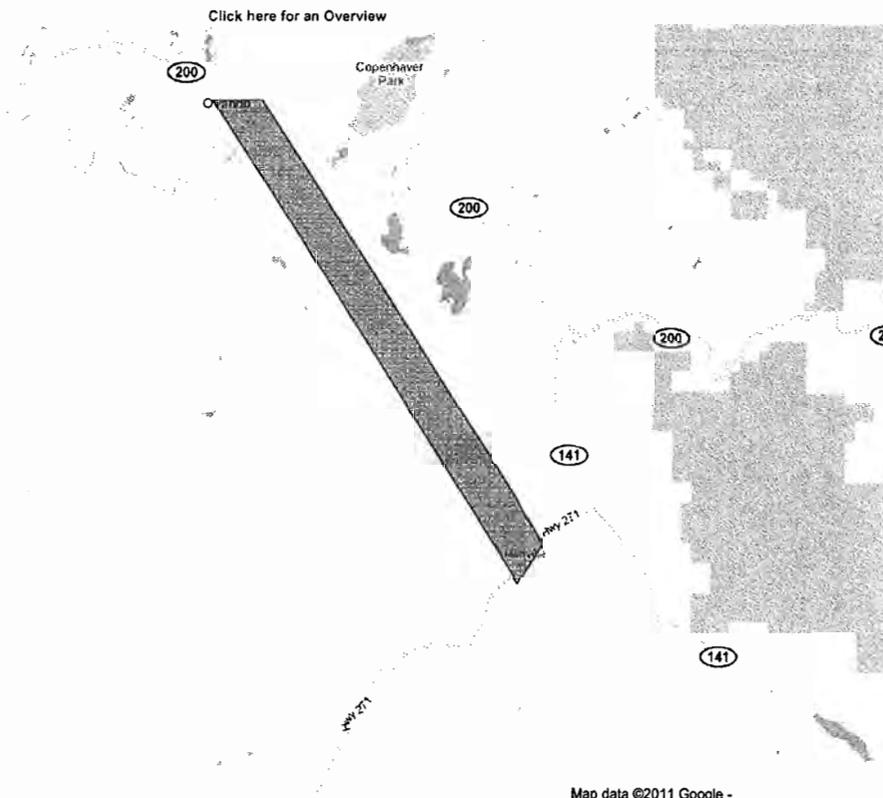
DRAW

VIEW DATA

VIEW PROJECTS

METHODOLOGY INSTRUCTIONS

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



Map data ©2011 Google -

ROUNDUP – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	CITY OF ROUNDUP		Name
	34 3rd Ave. West:		Mailing Address
	ROUNDUP MT 59072		City, State, Zip Code
	406-323-2804		Telephone Number
			Email
Intended Partner (Developer) Information	NEIGHBORWORKS MONTANA		Name
	NON PROFIT		Type of Entity
	509 1 ST AVENUE SOUTH		City, State, Zip Code
	GREAT FALLS MT 59401`		City, State, Zip Code
	406761-5861		Telephone Number
	INFO@NWM.T.ORG		Email
Activity Name	(Enter the name of Activity)		
Intended Uses	Select all that apply:		
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input checked="" type="checkbox"/>	Eligible Use C: Land Banking	
	<input checked="" type="checkbox"/>	Eligible Use D: Demolition	
	<input type="checkbox"/>	Eligible Use E: Redevelopment	
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)		
Program Types	(Please select from one of the identified Program Types from Section D) Grantee driven homeownership and buyer driven homeownership using the land trust model		
Location Description	The town of ROUNDUP see HUD document attached		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	___100___% is estimated to serve low income households		
	1	# Units will Serve 0% -50% AMI	
	1	# Units will Serve 51% -120% AMI	
	2	TOTAL # of Units	
	50%	Amount of funds set-aside to serve 0% - 50% AMI	
	50%	Amount of funds set-aside to serve 51% - 120% AMI	
100%	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding		Dollar Amount
	MDOC - NSP3		\$100,000
	Line of Credit		\$100,000
Total Budget for Activity		\$200,000	

Current Site Status	Foreclosed, Real-Estate Owned by foreclosing party or vacant or blighted
Projected Start Date	9/1/2011
Projected End Date	8-31-2012
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2

Please provide brief description of proposed project: Depending on the circumstances of the buyer: 1) foreclosed, bank-owned, vacant and blighted homes will be purchased, renovated and sold to income qualified buyers (grantee-driven homeownership) or 2) foreclosed, bank-owned, vacant and blighted homes will be purchased with down payment assistance to the buyer (buyer-driven homeownership). All homes will be sold under the land trust model, insuring permanently affordable housing. In some cases, the purchased home may be demolished and replaced with a new manufactured home on a permanent foundation. The expected benefit to low income persons is that they will be able to become homeowners and will be able to enjoy the wealth building aspects of homeownership.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

The general outline of the town of Roundup produced a HUD score of 11, as compared to a state minimum score of 10. The total units in the neighborhood are 999. The income levels are 56% below 80% of AMI and 77% below 120\$ of AMI. Between 2004 and 2007, 141 homes were financed in the neighborhood, 33% with high cost mortgage products. Seven percent of the homes are more than 90 days delinquent. There were 8 foreclosure starts and 3 REO. The price of housing has declined 7% and the unemployment rate has risen to 5.7%. Fifty-two addresses are reported as NoStat. This is an area where foreclosure are largely due to a combination of falling home values, a recent spike in unemployment and a relatively low vacancy rate; so a land trust model makes sense here to allow low income families to become homeowners. The land trust model can be applied in two ways: The foreclosed, REO or blighted home can be purchase and renovated and resold to an eligible family OR the family can purchase a foreclosed or REO home directly with down payment assistance to acquire the land for the land trust. In some cases, a home may be so blighted that it cannot be repaired, so a replacement manufactured home will be placed on site on a permanent foundation. According to the HUD report, one home would make an impact; so two homes will make a large difference. The manner in which the proposed project would meet the low income targeting goals is that half of the homes and funds would be used to assist very low income (<50% AMI) families. The project beneficiary assistance would be the opportunity to become a homeowner through the land trust model; which makes homes more affordable, backstops the homeowner when they enter financial problems and have been proved to have ¼ the foreclosure rate of non-land trust homes. The implementation and management of the program, which will occur in rural areas throughout Montana, will be by Trust Montana, an affiliate of NeighborWorks Montana. Trust Montana. Trust Montana was founded to have the ability receive donations of land, buildings or geographically targeted funds for permanent, affordable, land stewardship, where there is not an existing land trust. This ability avails the state's more rural or frontier areas where the local capacity or organizational will to develop an independent CLT does not exist.

Project Name : roundup						
Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS	HMDA
300659287764525000100R1	0	0	3	10	0	0
300659287764525000200R1	575	575	11	10	588	81
300659287764525000200R2	424	424	11	10	433	60
300659287799999000200R2	0	14	11	10	14	2

Total Neighborhood Housing Units: 999
 Neighborhood NSP3 Score: 11.00
 State Minimum Threshold NSP3 Score: 10

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature

Executive Director

Title

2/6/2011

Date

Neighborhood ID: 9799499

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: 509 1ST AVE SO Great Falls MT 59401

Grantee Email: srice@nwgf.org

Neighborhood Name: roundup

Date:2011-02-06 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 11

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 999

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 77.24

Percent Persons Less than 80% AMI: 56.11

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 1021

Residential Addresses Vacant 90 or more days (USPS, March 2010): 84

Residential Addresses NoStat (USPS, March 2010): 52

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 141

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 33.5

Percent of Housing Units 90 or more days delinquent or in foreclosure: 7

Number of Foreclosure Starts in past year: 8

Number of Housing Units Real Estate Owned July 2009 to June 2010: 3

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 2

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9

Place (if place over 20,000) or county unemployment rate June 2005^{*}: 4.1

Place (if place over 20,000) or county unemployment rate June 2010^{*}: 5.7

^{*}Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-108.552990 46.458792 -108.524151 46.457846 -108.525524 46.439395 -108.555737 46.439986

TUESDAY, FEBRUARY 08, 2011



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Neighborhood Stabilization Program Grants

NSP3

Project Name : roundup

Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS HMDA
300659287764525000100R1	0	0	3	10	0
300659287764525000200R1	575	575	10	10	0
300659287764525000200R2	424	424	11	10	433
300659287799999000200R2	0	14	11	10	14

Total Neighborhood Housing Units: 999
 Neighborhood NSP3 Score: 999
 State Minimum Threshold NSP3 Score: 10

Enter an Address, city or state Go

Select a State Select a County Go

Map Options : Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%): Tract Outline

LOG OUT

NSP3 Options

13 Current Zoom Level

Show Tracts Outline (Zoom 11+)

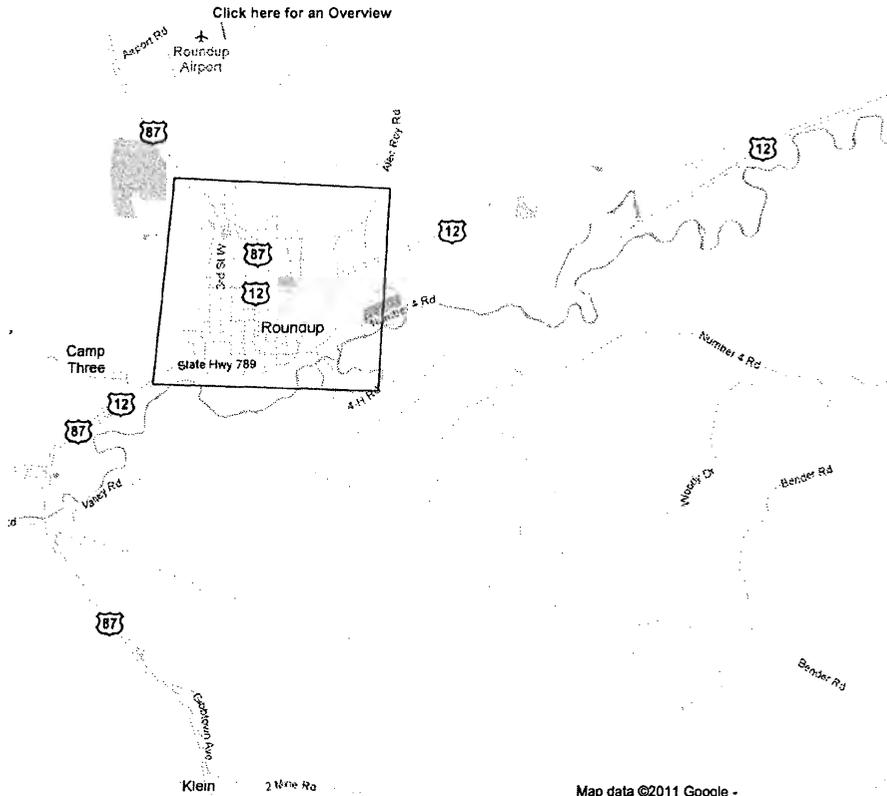
DRAW

VIEW DATA

VIEW PROJECTS

METHODOLOGY INSTRUCTIONS

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



Map data ©2011 Google -

SUPERIOR/ST. REGIS – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	MINERAL COUNTY		Name
	300 River Street		Mailing Address
	Superior, MT 59872		City, State, Zip Code
	406.822.3577		Telephone Number
	mccommissioner@mineral.co.mt.us		Email
Intended Partner (Developer) Information	NEIGHBORWORKS MONTANA		Name
	NON PROFIT		Type of Entity
	509 1 ST AVENUE SOUTH		City, State, Zip Code
	GREAT FALLS MT 59401		
	406761-5861		Telephone Number
	INFO@NWM.T.ORG		Email
Activity Name	(Enter the name of Activity)		
Intended Uses	Select all that apply:		
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/>		
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>		
	<input checked="" type="checkbox"/>	Eligible Use C: Land Banking	
<input type="checkbox"/>			
<input checked="" type="checkbox"/>	Eligible Use D: Demolition		
<input type="checkbox"/>			
<input type="checkbox"/>	Eligible Use E: Redevelopment		
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)		
Program Types	(Please select from one of the identified Program Types from Section D) Grantee driven homeownership and buyer driven homeownership using the land trust model		
Location Description	The towns of Superior and St. Regis see HUD document attached		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	_____ 100 _____ % is estimated to serve low income households		
	1	# Units will Serve 0% -50% AMI	
	3	# Units will Serve 51% -120% AMI	
	4	TOTAL # of Units	
	25%	Amount of funds set-aside to serve 0% - 50% AMI	
	75%	Amount of funds set-aside to serve 51% - 120% AMI	
100%	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding		Dollar Amount
	MDOC - NSP3		\$200,000
	Line of Credit		\$200,000
Total Budget for Activity	\$400,000		
Current Site Status	Foreclosed, Real-Estate Owned by foreclosing party or vacant or blighted		
Projected Start Date	9/1/2011		

Projected End Date	8-31-2012
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2

Please provide brief description of proposed project: Depending on the circumstances of the buyer: 1) foreclosed, bank-owned, vacant and blighted homes will be purchased, renovated and sold to income qualified buyers (grantee-driven homeownership) or 2) foreclosed, bank-owned, vacant and blighted homes will be purchased with down payment assistance to the buyer (buyer-driven homeownership). All homes will be sold under the land trust model, insuring permanently affordable housing. In some cases, the purchased home may be demolished and replaced with a new manufactured home on a permanent foundation. The expected benefit to low income persons is that they will be able to become homeowners and will be able to enjoy the wealth building aspects of homeownership.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

The general outline of the Superior and St. Regis produced a HUD score of 13.25, as compared to a state minimum score of 10. The total units in the neighborhood are 947. The income levels are 49% below 80% of AMI and 71% below 120% of AMI. 172 residential addresses indicate "NoStat" as of March 2010. Between 2004 and 2007, 233 homes were financed in the neighborhood, 31% with high cost mortgage products. Eight percent of the homes are in a foreclosure action and there were 16 foreclosure starts and 7 REO properties. The price of housing has declined 7% and the unemployment rate has more than doubled to 11.1%. This is an area where foreclosure are largely due to a combination of falling home values, a recent spike in unemployment and a relatively low vacancy rate; so a land trust model makes sense here to allow low income families to become homeowners. The land trust model can be applied in two ways: The foreclosed, REO or blighted home can be purchase and renovated and resold to an eligible family OR the family can purchase a foreclosed or REO home directly with down payment assistance to acquire the land for the land trust. In some cases, a home may be so blighted that it cannot be repaired, so a replacement manufactured home will be placed on site on a permanent foundation. According to the HUD report, 4 home would make an impact in the neighborhood. The manner in which the proposed project would meet the low income targeting goals is that 25% of the homes and funds would be used to assist very low income (<50% AMI) families. The project beneficiary assistance would be the opportunity to become a homeowner through the land trust model; which makes homes more affordable, backstops the homeowner when they enter financial problems and have been proved to have ¼ the foreclosure rate of non-land trust homes. The implementation and management of the program, which will occur in rural areas throughout Montana, will be by Trust Montana, an affiliate of NeighborWorks Montana. Trust Montana. Trust Montana was founded to have the ability receive donations of land, buildings or geographically targeted funds for permanent, affordable, land stewardship, where there is not an existing land trust. This ability avails the state's more rural or frontier areas where the local capacity or organizational will to develop an independent CLT does not exist.

Project Name : st reg superior

Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS	HMDA
300619344463042994500R1	108	232	12	10	182	66
300619344463042994600R2	0	0	14	10	0	0
300619344472625994500R1	228	228	12	10	178	65
300619344472625994600R2	186	186	14	10	136	41
300619344499999994500R1	21	147	12	10	115	42
300619344499999994600R2	138	232	14	10	169	52
300619375965575994600R1	184	184	14	10	134	41
300619375999999994600R1	82	413	14	10	302	92
300619375999999994600R2	0	0	14	10	0	0

Total Neighborhood Housing Units: 947
 Neighborhood NSP3 Score: 13.25
 State Minimum Threshold NSP3 Score: 1

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature

Executive Director

Title

2/7/2011

Date

Neighborhood ID: 5047637

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: 509 1ST AVE SO Great Falls MT 59401

Grantee Email: srice@nwgf.org

Neighborhood Name: st reg superior

Date:2011-02-04 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 13.25

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 947

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 70.73

Percent Persons Less than 80% AMI: 48.84

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 710

Residential Addresses Vacant 90 or more days (USPS, March 2010): 0

Residential Addresses NoStat (USPS, March 2010): 172

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 233

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 31.09

Percent of Housing Units 90 or more days delinquent or in foreclosure: 8.35

Number of Foreclosure Starts in past year: 16

Number of Housing Units Real Estate Owned July 2009 to June 2010: 7

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 4

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9

Place (if place over 20,000) or county unemployment rate June 2005: 4

Place (if place over 20,000) or county unemployment rate June 2010: 11.1

Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

TUESDAY, FEBRUARY 08, 2011



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Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities

Enter an Address, city or state

Select a State Select a County

Map Options : Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%): Tract Outline

[Click here for an Overview](#)

NSP3 Options

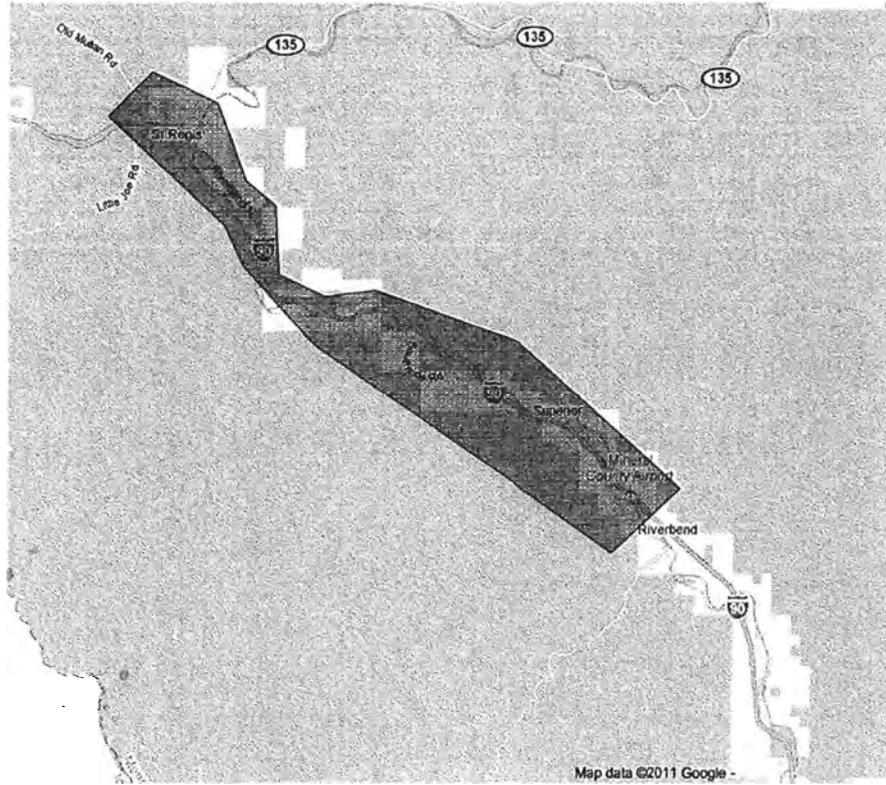
11 Current Zoom Level

Show Tracts Outline (Zoom 11+)

DRAW

[METHODOLOGY](#) [INSTRUCTIONS](#)

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



Map data ©2011 Google

Superior/ St. Regis

WHITE SULPHUR SPRINGS/RINGLING – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	MEAGHER COUNTY	Name	
	Box 309	Mailing Address	
	WHITE SULPHUR SPRINGS, MT 59645	City, State, Zip Code	
	406-547-3941	Telephone Number	
		Email	
Intended Partner (Developer) information	NEIGHBORWORKS MONTANA	Name	
	NON PROFIT	Type of Entity	
	509 1 ST AVENUE SOUTH	City, State, Zip Code	
	GREAT FALLS MT 59401`	Telephone Number	
	406761-5861	Email	
	INFO@NWM.T.ORG		
Activity Name	(Enter the name of Activity)		
Intended Uses	Select all that apply:		
	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/>		
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>		
<input checked="" type="checkbox"/>	Eligible Use C: Land Banking		
<input type="checkbox"/>			
<input checked="" type="checkbox"/>	Eligible Use D: Demolition		
<input type="checkbox"/>			
<input type="checkbox"/>	Eligible Use E: Redevelopment		
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)		
Program Types	(Please select from one of the identified Program Types from Section D) Grantee driven homeownership and buyer driven homeownership using the land trust model		
Location Description	The town of Winnett see HUD document attached		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	___ 100 ___ % is estimated to serve low income households		
	1	# Units will Serve 0% -50% AMI	
	1	# Units will Serve 51% -120% AMI	
	2	TOTAL # of Units	
	50%	Amount of funds set-aside to serve 0% - 50% AMI	
50%	Amount of funds set-aside to serve 51% - 120% AMI		
100%	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding	Dollar Amount	
	MDOC - NSP3	\$100,000	
	Line of Credit	\$100,000	
Total Budget for Activity	\$200,000		
Current Site Status	Foreclosed, Real-Estate Owned by foreclosing party or vacant or blighted		
Project Start Date	9/1/2011		

Projected End Date	8-31-2012
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2

Please provide brief description of proposed project: Depending on the circumstances of the buyer: 1) foreclosed, bank-owned, vacant and blighted homes will be purchased, renovated and sold to income qualified buyers (grantee-driven homeownership) or 2) foreclosed, bank-owned, vacant and blighted homes will be purchased with down payment assistance to the buyer (buyer-driven homeownership). All homes will be sold under the land trust model, insuring permanently affordable housing. In some cases, the purchased home may be demolished and replaced with a new manufactured home on a permanent foundation. The expected benefit to low income persons is that they will be able to become homeowners and will be able to enjoy the wealth building aspects of homeownership.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

The general outline of the White Sulphur Springs and Ringling produced a HUD score of 14, as compared to a state minimum score of 10. The total units in the neighborhood are 617. The income levels are 44% below 80% of AMI and 73% below 120% of AMI. Twenty-one residential addresses indicate "NoStat" as of March 2010. Between 2004 and 2007, 56 homes were financed in the neighborhood, 22% with high cost mortgage products. Nine percent of the homes are in a foreclosure action and there were 4 foreclosure starts and 2 REO properties. The price of housing has declined 7% and the unemployment rate has more than doubled to 8.6%. This is an area where foreclosure are largely due to a combination of falling home values, a recent spike in unemployment and a relatively low vacancy rate; so a land trust model makes sense here to allow low income families to become homeowners. The land trust model can be applied in two ways: The foreclosed, REO or blighted home can be purchase and renovated and resold to an eligible family OR the family can purchase a foreclosed or REO home directly with down payment assistance to acquire the land for the land trust. In some cases, a home may be so blighted that it cannot be repaired, so a replacement manufactured home will be placed on site on a permanent foundation. Because the neighborhood has a small number of homes, two homes would make an impact in the neighborhood. The manner in which the proposed project would meet the low income targeting goals is that 50% of the homes and funds would be used to assist very low income (<50% AMI) families. The project beneficiary assistance would be the opportunity to become a homeowner through the land trust model; which makes homes more affordable, backstops the homeowner when they enter financial problems and have been proved to have ¼ the foreclosure rate of non-land trust homes. The implementation and management of the program, which will occur in rural areas throughout Montana, will be by Trust Montana, an affiliate of NeighborWorks Montana. Trust Montana. Trust Montana was founded to have the ability receive donations of land, buildings or geographically targeted funds for permanent, affordable, land stewardship, where there is not an existing land trust. This ability avails the state's more rural or frontier areas where the local capacity or organizational will to develop an independent CLT does not exist.

Project Name : wsp = ringling

Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS	HMDA
300599224799999000100R1	16	417	14	10	103	38
300599384380050000100R2	318	318	14	10	79	29
300599384380050000100R3	253	253	14	10	63	23
300599384399999000100R2	1	10	14	10	2	1
300599384399999000100R3	29	100	14	10	25	9

Total Neighborhood Housing Units: 617
 Neighborhood NSP3 Score: 14.00
 State Minimum Threshold NSP3 Score: 10

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature

Executive Director

Title

2/6/2011

Date

Neighborhood ID: 4512878

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: 509 1ST AVE SO Great Falls MT 59401

Grantee Email: srice@nwgf.org

Neighborhood Name: wsp = ringling

Date:2011-02-04 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 14

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 617

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 73.3

Percent Persons Less than 80% AMI: 44.17

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 153

Residential Addresses Vacant 90 or more days (USPS, March 2010): 0

Residential Addresses NoStat (USPS, March 2010): 21

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 56
Percent of Housing Units with a high cost mortgage between 2004 and 2007: 22.2
Percent of Housing Units 90 or more days delinquent or in foreclosure: 8.8
Number of Foreclosure Starts in past year: 4
Number of Housing Units Real Estate Owned July 2009 to June 2010: 2

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 0

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9
Place (if place over 20,000) or county unemployment rate June 2005¹: 3.4
Place (if place over 20,000) or county unemployment rate June 2010²: 8.6
¹Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-110.929985 46.557916 -110.881062 46.558624 -110.778923 46.271631 -110.823383 46.262137

TUESDAY, FEBRUARY 08, 2011



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Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities.

Enter an Address, city or state Go

Select a State Select a County Go

Map Options : Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%): Tract Outline

LOG OUT

[Click here for an Overview](#)

NSP3 Options

10 Current Zoom Level

Show Tracts Outline (Zoom 11+)

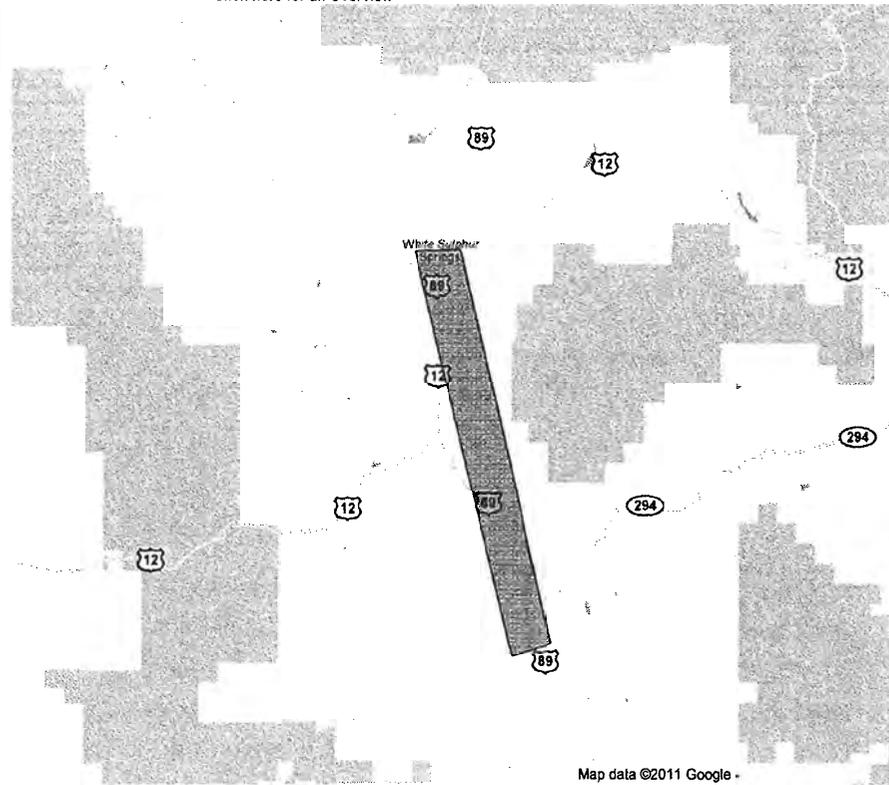
DRAW PREVIEW

VIEW DATA

VIEW PROJECTS

METHODOLOGY INSTRUCTIONS

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



ADLC – INTENT TO APPLY

DATE OF APPLICATION
2/8/2011

DATE RECEIVED (AGENCY USE ONLY)

NSP3 'Intent to Apply' Form

Part 1 (Local Government Name) Activity Description				
Intended Applicant Information	Anaconda-Deer Lodge County 800 S. Main Street Anaconda, Montana 59711 (406) 563-4000 ctdaniels@anacondadeerlodge.mt.gov	Name Mailing Address City, State, Zip Code Telephone Number Email		
	Intended Partner (Developer) Information	homeWORD, Inc. nonprofit 127 N. Higgins Ave. Ste. 307 Missoula, Montana 59802 (406) 532-4663 heather@homeword.org	Name Type of Entity Mailing Address City, State, Zip Code Telephone Number Email	
		Activity Name	(Enter the name of Activity)	
		Intended Uses	Select all that apply:	
			<input checked="" type="checkbox"/> Eligible Use A: Financing Mechanisms	
<input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation				
<input checked="" type="checkbox"/> Eligible Use C: Land Banking				
<input checked="" type="checkbox"/> Eligible Use D: Demolition				
<input checked="" type="checkbox"/> Eligible Use E: Redevelopment				
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)			
Program Types	(Please select from one of the identified Program Types from Section D)			
Location Description	(Area or possible areas of greatest need where activity is being undertaken. Please attach a map of the eligible areas and identify the census tract(s) or block group(s))			
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)			
	30 % is estimated to serve low income households			
	6	# Units will Serve 0% -50% AMI		
	14	# Units will Serve 51% -120% AMI		
	20	TOTAL # of Units		
270,000.00	Amount of funds set-aside to serve 0% - 50% AMI			
630,000.00	Amount of funds set-aside to serve 51% - 120% AMI			
900,000.00	TOTAL amount of MDOC - NSP3 funds			
Budget	Source of Funding	Dollar Amount		
	MDOC - NSP3	\$ 900,000.00		
	(Other funding source) NSP1	\$ 1,131,310.00		
	(Other funding source) <small>Commercial Mortgage Equity (CMRE) ADIC</small>	\$ 1,665,000.00		
Total Budget for Activity	\$3,696,331.00			
Current Site Status	(foreclosed, bank owned, vacant, etc.) Foreclosure Pending			
Projected Start Date	7/1/2011			
Projected End Date	6/1/2014			
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F			

Part 2

Please provide brief description of proposed project:

See Attached Narrative

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

1. Preliminary Market Analysis
2. Discussion of selected target area(s) and the program type
3. Discussion of the impact to the community from the intended project
4. Summary that describes the manner in which the proposed project will meet the low income targeting goals
5. Project Beneficiary assistance
6. Implementation and Management

See Attached Narrative

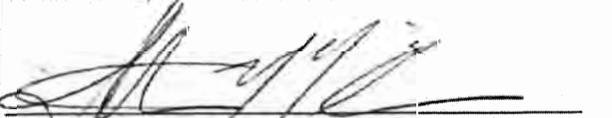
Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.

Signature

Title

Date


HOUSING DEVELOPMENT DIRECTOR
2/8/11

Neighborhood ID: 3594696

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: 127 N. Higgins Ave. Missoula MT 59802

Grantee Email: keenan@homeword.org

Neighborhood Name: E. Anaconda

Date:2011-02-08 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 13.43

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 3169

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 68.96

Percent Persons Less than 80% AMI: 47.11

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 3184

Residential Addresses Vacant 90 or more days (USPS, March 2010): 273

Residential Addresses NoStat (USPS, March 2010): 101

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 461
Percent of Housing Units with a high cost mortgage between 2004 and 2007: 40.42
Percent of Housing Units 90 or more days delinquent or in foreclosure: 8.71
Number of Foreclosure Starts in past year: 30
Number of Housing Units Real Estate Owned July 2009 to June 2010: 13

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 7

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9
Place (if place over 20,000) or county unemployment rate June 2005: 4.5
Place (if place over 20,000) or county unemployment rate June 2010: 7.2
Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. **Persistent Unemployment.** Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. **Home Value Change and Vacancy.** Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. **Persistently High Vacancy.** Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. **Historically low vacancy that is now rising.** A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. **Historically high cost rental market.** Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-112.992067 46.143448 -112.912073 46.128698 -112.921515 46.111802 -113.002882 46.131434

Blocks Comprising Target Neighborhood

Anaconda-Deer Lodge County/homeWORD, Inc. NSP3 Letter of Intent Narrative

Project Description

Anaconda-Deer Lodge County will continue their partnership with homeWORD, Inc., a housing nonprofit, to utilize NSP3 funds to purchase foreclosed, vacant and abandoned properties in the eastern portion of Anaconda. Specifically in census Tract 3, Blocks 2 and 3 will be the targeted area. In respect to the HUD Mapping Tool the following information was identified about the target area; Tract # 30023000200, Tract NSP3 Need Score 13.43, HMDA Mortgages 2004-2007 108, Estimated Delinquent Mortgages (%) 6.8, Total USPS Residential Addresses in Neighborhood 3169, USPS Residential Addresses Vacant 90+ days 273, USPS Residential Addresses NoStat 101.

homeWORD will rehabilitate or demolish properties in order to bring them up to standard and to remove blighted structures to improve the housing conditions of the targeted neighborhood. homeWORD proposes to focus on the originally proposed 20 single-family units in ADLC's NSP1 application. Single Family rental housing will be considered as need is evaluated. In addition, homeWORD will take advantage of opportunities to purchase vacant properties for a future multi-family development or an existing rental property in need of future rehabilitation. In addition to providing homebuyer education classes to future qualified buyers, these programs are currently offered by the organization and have a longstanding tract record of success throughout western Montana.

Provide a narrative discussion to the following items regarding proposed activity:

1. Preliminary Market Analysis

HUD's NSP3 Planning Data suggests the following in respect to the targeted area:

- Persistent Unemployment. Serious consideration should be given to a rental strategy rather than a homeownership strategy.
- Home Value and Vacancy. A down payment assistance program may be an effective strategy.
- Persistently High Vacancy. A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
- Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.

- Historically high cost rental market. A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

2. Discussion of selected target area(s) and the program type.

The target area is Anaconda Deer Lodge County, specifically HUD Tract # 30023000200 in Anaconda. For the formal NSP3 application, homeWORD will be considered expanding the project boundary to match the current NSP1 boundaries. homeWORD will rehabilitate or demolish dilapidated structures from the neighborhood, specifically targeting slum and blight using NSP3's Grantee-Driven Homeownership, Single-family Rental, and Multi-family Rental Programs. In partnership with Anaconda-Deer Lodge County, homeWORD will participate in remediation of soils for all properties as it designated a Superfund Cleanup Site by the U.S. Federal Government.

3. Discussion of the impact to the community from the intended project.

As identified in the Montana Department of Commerce Annual Action Plan NSP Amendment, ADLC is one of 8 priority needs areas in the state. ADLC was identified as having high risk scores; high foreclosure, high percentage of subprime mortgages with high delinquency rates, and having the majority of census tracts with high predicted foreclosure rate, unemployment rate and business closure rate.

ADLC's area median income is below Montana's as a whole and the target area with this Letter of Intent are some of the lowest in ADLC. Households without sufficient disposable income are more vulnerable to delinquency or eventual foreclosure. This provides further need for proper homebuyer education and favorable loan products for the LMI population, which can be provided by other programs currently offered by homeWORD or partnering with local NeighborWorks certified homebuyer education programs.

In May 2009, in the targeted area for this Letter of Intent, homeWORD and County staff identified over 20 homes being in foreclosure – five for sale by realtors and an additional 10 by Notice of Trustee Sale. These homes are vacant, as are several others in the area. Of the total homes that are vacant or foreclosed ADLC received funding for homeWORD to demolish 3, rehabilitate 3, and develop one vacant lot using NSP funds

from the Montana Department of Commerce. Activities on these 7 properties began in early summer of 2010.

In partnership with ADLC, homeWORD would like to continue to work on improvements to housing stock in the Anaconda area, thus seeking NSP3 funds. The plan to utilize these funds to impact the eastern portion of Anaconda, which census data shows low AMI and which building permit information shows has the oldest housing stock with the most substandard housing in town. While focusing on NSP3 funds on this area of town, it will have the highest impact possible, especially when there is already an existing NSP program being implemented in this target area. Additional NSP funds will also act as the catalyst to begin implementing ADLC's Housing Plan, which is in development.

4. Summary that describes the manner in which the proposed project will meet low income targeting goals.

Providing safe, decent and affordable housing for acquisition or rental will benefit participating households. Removing blight and upgrading substandard housing has the potential to improve the neighborhood and positively impact property values for all homes. Higher property values eventually translate to more real estate taxes paid, which improve the City/County's ability to offer services to all of its residents, including those with incomes below 120% of the AMI.

The recommended area for this Letter of Intent for NSP3 funds is Census Tract 3, Block Groups 2 and 3 or HUD's Tract #30023000200. The area is between Main Street to the west and Ash Street on the east; 8th and Front Streets from the southern and northern borders. Blight and low-income households exist throughout the community, but the areas where these two factors are the most concentrated are in Block Groups 2 and 3. These block groups have 1,009 housing units, 300 of which are classified as very unsound, very poor and poor by the Montana Department of Revenue. In addition, there are 124 commercial structures in the area rendering their condition important to the overall vitality of the area. Of the 124 structures, 68 were very unsound, very poor or poor. Therefore, addressing these structures may also factor into hW's effort to stabilize the neighborhood.

The majority of residents in Block Groups 2 and 3 have household incomes below 80% of the AMI. Block Group 2 has 59% of its residents and Block Group 3 has 47% of its residents with income below 80% of the AMI. When extending the NSP-eligible households, the percentages increase to 84% and 69% of residents with incomes below

120% of the AMI. Median incomes for Block Groups 2 and 3 are \$17,143 and \$20,132, respectively. These incomes compare to Anaconda-Deer Lodge County's median \$36,158 and Montana's median of \$40,487.

In December 2008, local realtors identified 8 foreclosed homes for sale in the two Block Groups. In May 2009, that number was at 5. MDOC's estimated foreclosure and risk abandonment score for both areas is 9, which is well above the 5 required to qualify as a Priority Need Area. The high cost loan rate in this area is 57%.

In partnership with homeWORD, ADLC is identifying the following goals of households to be served by this project.

2 units will serve 0%-30% AMI
3 to 4 units will serve 31%-50% AMI
6 to 8 units will serve 61% to 80% AMI
4 to 6 units will serve 81% to 100% AMI
2 to 4 units will serve 101% to 120% AMI
Total units 20

5. Project Beneficiary assistance

hW anticipates taking advantage of the Trustee Sales and foreclosed homes being offered by realtors immediately. Anaconda has a large pool of LMI households from which to draw. In order to assist the state in meeting HUD's requirement to disburse 25% of its NSP3 funds to households with incomes below 50% AMI using activities Grantee-Driven Homeownership that will be hW's initial focus. If homes need to be rehabilitated or demolished/redeveloped, that work would take between 6 and 18 months, depending on the extent of the work to be completed.

6. Implementation and Management

ADLC will contract with hW to be the lead agency in identifying foreclosed, vacant, and abandoned properties to purchase and demolish, resell, rehabilitate, or rent to LMMI households. ADLC and hW began discussions with several area non-profits to gauge their interest and capacity to develop properties and/or manage rental properties during the development of the NSP1 application for ADLC. homeWORD's intention is to help build the asset management capacity of local management or non-profit groups. hW

anticipates facilitating the discussion to identify which local agencies are best suited to manage which types of properties and for which demographic.

homeWORD has developed ten projects yielding 207 units of single and multi-family housing projects during the past 13 years. hW has received several awards for its projects including projects that encompassed Historic Housing Preservation, which Goosetown qualifies as such. hW staff members appear on statewide and national panels as experts in both sustainable/green development and rehabilitation of historic properties. Indeed, MDOC staff has recommended communities contact hW to partner in the organization's co-development activities.

TUESDAY, FEBRUARY 03, 2011



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Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities.

Enter an Address, city or state Go Montana Dear Lodge Go

Map Options : Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%): — Tract Outline

LOG OUT

Click here for an Overview

NSP3 Options

13 Current Zoom Level

Show Tracts Outline (Zoom 11+)

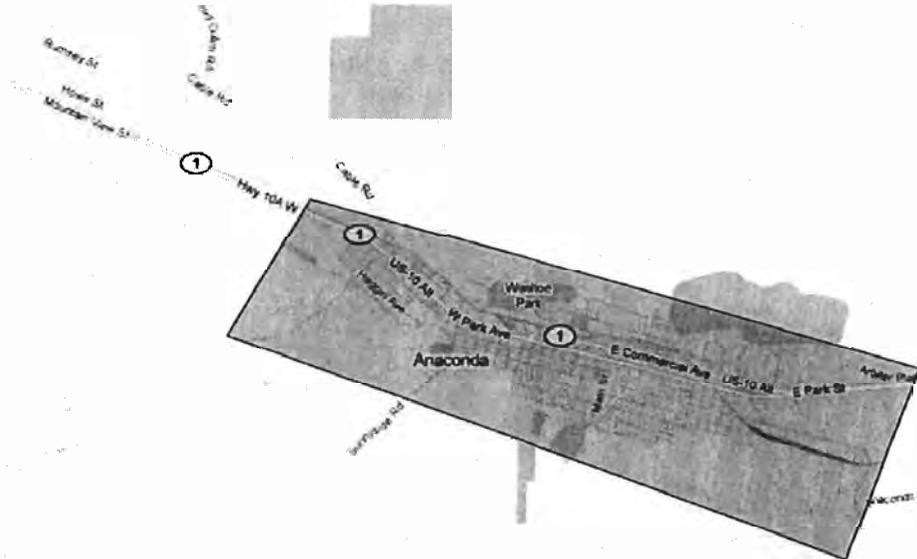
DRAW

VIEW DATA

VIEW PROJECTS

METHODOLOGY INSTRUCTIONS

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 scores for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantees should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



Map data ©2011 Google

EUREKA – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	Town of Eureka	Name	
	PO Box 313	Mailing Address	
	Eureka, MT 59917	City, State, Zip Code	
	406-297-2123	Telephone Number	
	ethelwhite803@yahoo.com	Email	
Intended Partner (Developer) Information	Eureka Rural Development Partners	Name	
	Economic/Community Development Non-profit	Type of Entity	
	PO Box 1951	Mailing Address	
	Eureka, MT 59917	City, State, Zip Code	
	406-297-7374	Telephone Number	
	tracy@eurekardp.net (see #6 for breakdown of ALL partners involved)	Email	
Activity Name	Town of Eureka LMI in-fill housing		
Intended Uses	Select all that apply:		
	<input type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>	Eligible Use C: Land Banking	
	<input type="checkbox"/>	Eligible Use D: Demolition	
	<input type="checkbox"/>	Eligible Use E: Redevelopment	
National Objective	120% AMI: 77.2, 80% AMI: 50.2 average household income 2000 Census \$27,671		
Program Types	Multi-family and single family rentals for LMI and Seniors		
Location Description	East side of Town of Eureka proper- see enclosed HUD map		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	<u>25 +</u> % is estimated to serve low income households		
	1-4	# Units will Serve 0% -50% AMI	
	1-4	# Units will Serve 51% -120% AMI	
	4	TOTAL # of Units	
	\$500,000	Amount of funds set-aside to serve 0% - 50% AMI	
	\$500,000	Amount of funds set-aside to serve 51% - 120% AMI	
\$1,000,000	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding	Dollar Amount	
	MDOC - NSP3	\$970,000	
	Glacier Bank	\$1,000 to \$2,000	
	in-kind donation/work is expected for the project- will be more detailed in the full application	\$	
Total Budget for Activity	\$971,000 to \$ 972,000 (estimated costs)		
Current Site Status	Foreclosed or in process of foreclosure		
Projected Start Date	July 2011		
Projected End Date	July 2014		

Activity Description

Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2

Eureka Rural Development Partners (ERDP) in partnership with the Town of Eureka, Lincoln County Commissioner District 3, MSU-Lincoln County Extension, Tobacco Valley Community Land Trust, and Glacier Bank Eureka branch will work on developing an in-fill rental housing program for the Town of Eureka proper. The project will target LMI housing with a focus of at least 25% for Senior Housing.

Neighborhood ID: 3594970

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address: PO Box 1951 Eureka MT 59917

Grantee Email: tracy@eurekardp.net

Neighborhood Name: NSP3 East Eureka

Date:2011-02-07 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 15

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 337

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 76.83

Percent Persons Less than 80% AMI: 49.99

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 212

Residential Addresses Vacant 90 or more days (USPS, March 2010): 0

Residential Addresses NoStat (USPS, March 2010): 43

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 62

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 28.7

Percent of Housing Units 90 or more days delinquent or in foreclosure: 10

Number of Foreclosure Starts in past year: 5

Number of Housing Units Real Estate Owned July 2009 to June 2010: 2

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 1

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9

Place (if place over 20,000) or county unemployment rate June 2005: 6.4

Place (if place over 20,000) or county unemployment rate June 2010: 15.5

†Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-115.055137 48.885743 -115.040932 48.888113 -115.040760 48.879703 -115.044408 48.875442

-115.052304 48.878208

FLAXVILLE – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	Town of Flaxville	Name	
	Box 62	Mailing Address	
	Flaxville, MT 59222	City, State, Zip Code	
	406.474.2354	Telephone Number	
	cwittak@yahoo.com	Email	
Intended Partner (Developer) Information	Flaxville Local non-profit Development Corporation	Name	
	School Building Committee (closed school)	Type of Entity	
	Box 31	Mailing Address	
	Flaxville, MT 59222	City, State, Zip Code	
	406.480.5802	Telephone Number	
	Flaxvilleldc@yahoo.com	Email	
Activity Name	(Enter the name of Activity)		
Intended Uses	Select all that apply:		
	<input type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>	Eligible Use C: Land Banking	
	<input type="checkbox"/>	Eligible Use D: Demolition	
	<input checked="" type="checkbox"/>	Eligible Use E: Redevelopment	
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective) Yes this would apply.		
Program Types	(Please select from one of the identified Program Types from Section D) Rehabilitate homes and residential properties that have been abandoned (closed school building). Remodel in order to sell, rent or redevelop such buildings.		
Location Description	(Area or possible areas of greatest need where activity is being undertaken. Please attach a map of the eligible areas and identify the census tract(s) or block group(s)) Town of Flaxville – School Building.		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	__25__% is estimated to serve low income households		
	7	# Units will Serve 0% -50% AMI	
	7	# Units will Serve 51% -120% AMI	
	14	TOTAL # of Units	
	25%	Amount of funds set-aside to serve 0% - 50% AMI	
	75%	Amount of funds set-aside to serve 51% - 120% AMI	
75%	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding		Dollar Amount
	MDOC - NSP3		\$1,500,000
	(Other funding source) Private Donor	\$100,000	
	(Other funding source) Private Donor	\$100,000	
Total Budget for Activity	\$1,700,000		
Current Site Status	(foreclosed, bank owned, vacant, etc.) owned by Town of Flaxville		
Projected Start Date	As soon as fund and bids can be obtained, feasibility study is completed for the building.		
Projected End Date	One year after funds are obtained and bids are completed.		

Activity Description

Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2

Please provide brief description of proposed project:

The proposed project will be to remodel the Flaxville School Building into independent living quarters, individual apartments to utilize the building for a future housing market. The feasibility study was completed to accommodate 14 independent living quarters, some designed as single living quarters, some designed as small family quarters. The school was closed in 2006 and has been used for community congregate meals and a variety of community functions. The feasibility study was completed by Studio 360 of Helena, Scott Cromwell, architect.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

1. Preliminary Market Analysis

The number of properties that would be completed would be 14 independent apartments.

Sales price and rental price would be adjusted to accommodate low-income residents, as well as to prepare for the housing need for a projected oil industry moving into the area. Cost and availability of credit are dependent upon the bank/credit union policies and the consumer. The absorption rate of the apartments would be projected to be fairly quick, as the oil industry has been moving into the NE part of MT for some time. The average length of property listings in Flaxville is less than 6 months. Flaxville does not have any foreclosed units and no delinquencies at this time.

2. Discussion of selected target area(s) and the program type

The target area would be Daniels and Sheridan county, as well as extending from NE MT to NW North Dakota.

3. Discussion of the impact to the community from the intended project

This activity would address the elderly independent housing needs, as well as provide housing for a projected workforce moving into the area. There would be a variety of housing types available, ranging from single housing to multifamily units. The number of housing units needed to make an impact would be the projected need of the feasibility study of 14 units.

4. Summary that describes the manner in which the proposed project will meet the low income targeting goals

The project would serve approximately 25% low-income households. The number of units that would be available for low-income units would be 4-5 units. The estimated amount of funds to be used to provide housing for low-income would be 25% of the funding. The proposed project will meet the need of low-income households by advertising and utilizing 4-5 units for this purpose.

5. Project Beneficiary assistance

The range of interest rates will be dependent upon the bank/credit union options for the consumer. The intent of the building will be to house tenants for independent living for many years, as well as to provide housing for the projected oil worker industry.

6. Implementation and Management

We would utilize our local economic development corporation – Great Northern Development Corporation in Wolf Point. The estimated time frame of project duration would be 1 year to complete remodeling project. The performance measures would be managed by the Great Northern Development Corporation, as they have the expertise in this area for our community.

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.

Connie Wittak

Signature

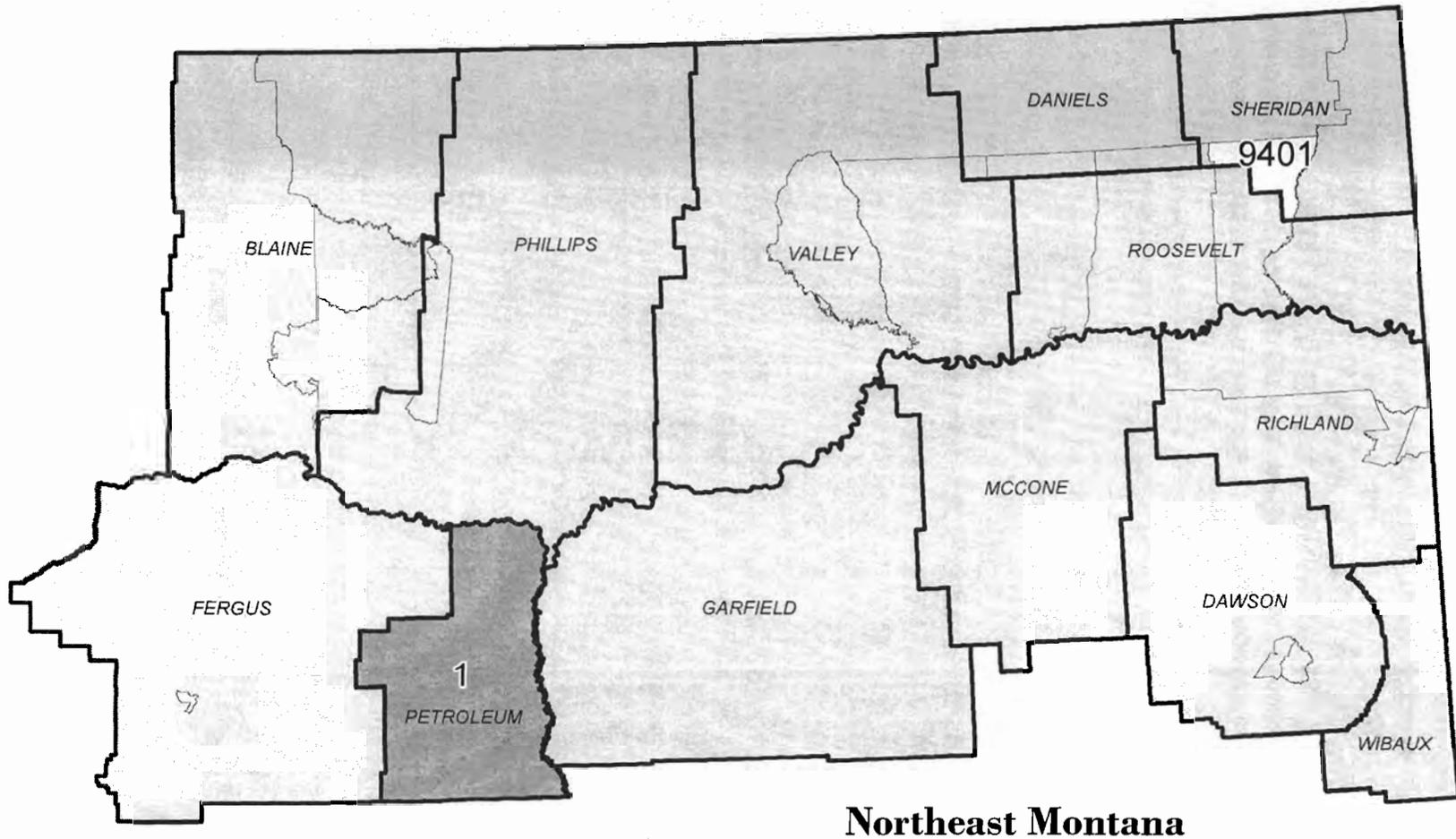
Mayor of Flaxville

Title

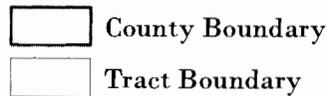
February 8, 2011

Date

Neighborhood Stabilization Program 3 Areas of Greatest Need (as defined by HUD)



HUD Need Score

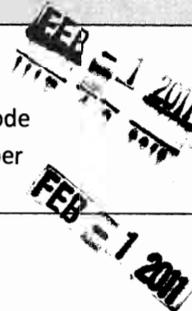
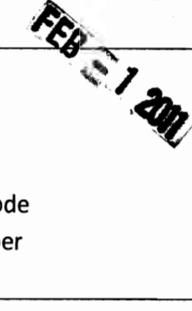


Note: Tract Boundaries Do Not Cross County Lines;
Only Tracts with a HUD Need Score of 10 or Higher are
Labeled with Tract Name.

Map created by the Montana Department of Commerce, Community Development Division &
Census and Economic Information Center, EligibilityByTract_Phase3_NE.mxd - January 2011

HELENA – INTENT TO APPLY

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	Lewis and Clark County – Derek Brown, Chairman	Name	
	316 N. Park Avenue	Mailing Address	
	Helena MT 59623	City, State, Zip Code	
	406-447-8383	Telephone Number	
	lerikson@co.lewis-clark.mt.us	Email	
Intended Partner (Developer) Information	Rocky Mountain Development Council, Inc.	Name	
	501 (c) (3)	Type of Entity	
	PO Box 1717	Mailing Address	
	Helena MT 59624-1717	City, State, Zip Code	
	406-447-1680	Telephone Number	
	mrude@rmdc.net	Email	
Activity Name	Mid Town Residences		
Intended Uses	Select all that apply:		
	<input type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>	Eligible Use C: Land Banking	
	<input checked="" type="checkbox"/>	Eligible Use D: Demolition	
<input checked="" type="checkbox"/>	Eligible Use E: Redevelopment		
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective) Low, Moderate and Middle Income		
Program Types	(Please select from one of the identified Program Types from Section D) Multifamily Rental		
Location Description	This project is located in Helena MT in Census Tract 9. Boulder Avenue borders the property on the South, Montana Avenue on the West, Lyndale Avenue on the North and existing structures on the East. This is the 1300 block of Boulder Avenue. Maps are attached.		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	___100___ % is estimated to serve low income households		
	30	# Units will Serve 0% -50% AMI	
		# Units will Serve 51% -120% AMI	
	30	TOTAL # of Units	
	\$2,070,936	Amount of funds set-aside to serve 0% - 50% AMI	
	Amount of funds set-aside to serve 51% - 120% AMI		
\$2,070,936	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding	Dollar Amount	
	MDOC - NSP3	\$2,070,936	
	HOME	\$750,000	
	Low Income Tax Credits/Perm Debt	\$4,559,795/\$160,000	
Total Budget for Activity	\$7,540,731		
Current Site Status	(foreclosed, bank owned, vacant, etc.) Delinquent on property taxes, partially abandoned and very blighted.		
Projected Start Date	Once notice of award and release of funds the property could be purchased and bids for remediation advertised (60 – 120 days to begin work).		

Projected End Date	Phase I is estimated to be complete by May 2014
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F

Part 2

Please provide brief description of proposed project:

RMDC proposes to purchase and remediate the site commonly known as the Caird property. Phase I will consist of 30 units of senior accessible housing on the Southeast section of the property. The Phase will consist of 2 buildings, one two story with 14 units and one three story with 16 units. There will be a mix of one and two bedroom units in each building with underground parking to optimize green space outside on the property grounds. Future phases will be determined by market need and community involvement should compatible commercial be a part of the development.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

1. Preliminary Market Analysis

Rocky Mountain Development Council provides resources to assist lower income seniors, individuals and families in the tri-county area of Lewis and Clark, Broadwater and Jefferson County. That involvement with our community and two recent reports addressing area housing needs and markets confirm the need for this additional low income housing in Helena. The first is a recently completed Greater Helena Area Task Force report entitled the Helena Area Housing Needs Assessment, This report was completed in December 2010. This report is attached for your review. The second report is a Market Study performed by the Gill Group specifically to determine the need and market for a proposed 33 unit senior development called River Rock Residences in early development stages. That Market Study and Summary Page can be made available for your review.

On page 2 the Helena Area Needs Assessment report indicates a rental shortage for the area and that vacancy rates in Lewis & Clark County are significantly lower than statewide or national rates. Further, respondents ranked elderly apartments and one and two bedroom apartments as the most needed. The Montana Board of Housing projects that 1,328 renter households will be added to the county over the next 10 years and over the last 5 years, only 55 multi-family units were added to the housing stock in each of those years, on an average.

On page 10 "Affordable Rental Housing" and "Affordable for Sale Housing" were ranked as the most needed with "Senior Housing – Independent Living" as part of the other important needs.

The Gill Group Market Study also confirms a compelling case of need for this type of housing for this targeted demographic group noting that the current need in our area is 285 more of these types of senior, low-income units. Significantly, the 30 units proposed in this project will only solve 10.5 % of that need.

The takeaway message from both the Helena Needs Assessment and the Gill Group Market Study is that the Helena area has a current shortage of low income rental units and we are as a community falling further behind each year as the demographic distribution of our population continues a marked upward trend.

Many of the suggested list of details for this narrative are more driven by homeownership. This project will provide for rental units that are badly needed in the Helena area for its aging population. The Caird property is currently delinquent on its property taxes and is a blight to the neighborhood with decaying buildings and debris all over from years of various manufacturing. The neighborhood has a mix of commercial and residential. This property is the cornerstone for the Sixth Ward and its entrance from the west side.

2. Discussion of selected target area(s) and the program type

As described above the program type is rental units. Again the Task Force Report and the Gill Group Market Study clearly show the need for this type of construction. The units will all be accessible with elevators and half the units will be fully accessible and the other half adaptable. The design will be such that the buildings blend into the mixed neighborhood with underground parking to allow for more green space around the building.

3. Discussion of the impact to the community from the intended project

The additional 30 units will provide just over 10% of the overall needed senior units as outlined by the Gill Group Market Study. The demolition of blighted structures and the remediation of the land will eliminate a number of environmental hazards and add a positive visual impact to the neighborhood and to those who drive or walk by on a daily basis. There is the potential for 1 or 2 more phases which could be a blend of commercial and residential units.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

4. Summary that describes the manner in which the proposed project will meet the low income targeting goals

100% of the use of the Phase I will be for households at or below 50% Area Median Income. 30 senior affordable rental units will be built. The first phase of the project will be to purchase the land, remediate the ground and build 30 units. The estimated project budget for Phase I is \$7,540,731.

Since all units will meet the 50% AMI or less the estimated low income household targeting goals will be met. Management will insure through tenant income certifications and third party documentation that all tenants will be income qualified renters.

5. Project Beneficiary Assistance

Once tenants are income qualified they will remain as tenants as long as all lease agreements are followed. The project has an initial affordability period of 46 years but RMDC, as part of their mission will continue to serve this population well past that period. All 30 units of the Phase I project will assist senior households at 50% or less AMI.

By utilizing low income housing tax credits, HOME, and NSP3 funding the rents will be at the level that the households can more easily pay without burdening their monthly income.

6. Implementation and Management

Lewis & Clark County and RMDC have partnered on several projects that utilized HOME and CDBG funding. This will be the first NSP funded project for both entities. Compliance has always been met in a timely manner on these projects and no outstanding issues exist that the applicant is aware. Should NSP funds be awarded the County and RMDC will move forward immediately to purchase and remediate the property. Additional funding will be requested in the first cycle of 2012 for HOME and Tax Credits, completing Phase I by 5/2014. RMDC and the County have performed well in the past and capacity has never been an issue. Staff will be adequate to insure a timely grant cycle is completed.

Staff will ensure bids are procured accurately and within the rules of NSP, HOME and LIHTC programs.

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.



Signature

Executive Director

Title

Date

1/31/11

NSP3 Eligible Areas as determined by HUD scoring

Listed below are COUNTIES with at least one census tract or area(s) determined to be eligible by HUD with a score between 10 – 20 (scoring range eligible in Montana). There may be multiple areas within a County with a qualifying score.

NOTE: the entire county may or may not be qualifying, please use **Mapping Tools** provided on *NSP website* to identify further details and eligible neighborhoods or areas.

<http://comdev.mt.gov/NSP/nspusefullinks.mcpX>

1. Flathead
2. Cascade
3. Big Horn
4. Deer Lodge
5. Petroleum
6. Lincoln
7. Lake
8. Glacier
9. Meagher
10. Mineral
11. Rosebud
12. Silver Bow
13. Sanders
14. Broadwater
15. Powell
16. Lewis and Clark
17. Musselshell
18. Pondera
19. Teton
20. Sheridan
21. Stillwater

WEDNESDAY, JANUARY 19, 2011



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- PERIODICALS
- DATA SETS
- QUICK LINKS
- CONTACT US



Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the challenges associated with homes that have been foreclosed upon and are resulting economic problems for their neighborhoods.

1300 Billings Helena MT

Select a State Select a County

Map Options: Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%): Tract Outline

[Click here for an Overview](#)

NSP3 Options

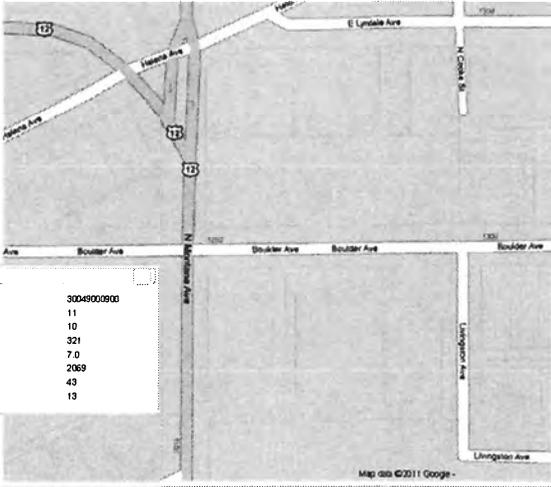
18 Current Zoom Level

Show Tracts Outline (Zoom 11+)

[HELP/FAQ](#) [INSTRUCTIONS](#)

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score.

NSP3	
Tract Number	3004900900
Tract NSP3 Need Score	11
State Minimum Qualifying NSP3 Score	10
HMDA Mortgages 2004 to 2007	321
Estimated Delinquent Mortgages (%)	7.0
Total USPS Residential Addresses	269
USPS Residential Addresses Vacant 90+ days	43
USPS Residential Addresses NoStat	13



Map data ©2011 Google

Neighborhood ID: 6196807

NSP3 Planning Data

Grantee ID: 3099990N

Grantee State: MT

Grantee Name: MT NONENTITLEMENT

Grantee Address:

Grantee Email: matrudedog@aol.com

Neighborhood Name: Caird4

Date:2011-01-28 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. 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.

Neighborhood NSP3 Score: 11

State Minimum Threshold NSP3 Score: 10

Total Housing Units in Neighborhood: 544

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 78.56

Percent Persons Less than 80% AMI: 57.84

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current or potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 537

Residential Addresses Vacant 90 or more days (USPS, March 2010): 11

Residential Addresses NoStat (USPS, March 2010): 3

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 83

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 24.6

Percent of Housing Units 90 or more days delinquent or in foreclosure: 7

Number of Foreclosure Starts in past year: 4

Number of Housing Units Real Estate Owned July 2009 to June 2010: 2

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 1

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -6.9

Place (if place over 20,000) or county unemployment rate June 2005: 3.2

Place (if place over 20,000) or county unemployment rate June 2010: 5

Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-112.014992 46.599921 -112.023060 46.599833 -112.023318 46.597149 -112.021987 46.595410

-112.022116 46.595144 -112.022073 46.592077 -112.009156 46.592166 -112.009327 46.599066

1. Preliminary Market Analysis

In 2006-2007 the Tobacco Valley Community Development Council, following CDBG guidelines, completed a Needs Assessment for the Tobacco Valley area. The Tobacco Valley encompasses all of North Lincoln County, which includes the communities of Stryker, Trego, Fortine, West Kootenai, and the Towns of Eureka and Rexford. This NSP3 proposal will only include property within the limits of the Town of Eureka but it should be noted that the analysis covers a larger area. Eureka serves as the hub for the Tobacco Valley and the majority of the foreclosures in the area are within the Town limits.

In the Tobacco Valley Needs Assessment it covers the overall Housing profile of the area that provides an introduction to what is happening within Housing in Eureka. The most interesting thing found was that 91.12% of the respondents own their own home which brought to the forefront the need of affordable rental housing in the area. The Needs Assessment also found that single affordable housing was the most requested property type. An indirect result of the NSP3 program will be to open up some of the starter homes in the Valley by moving Seniors into affordable rental units. And, another good factor found in the Needs Assessment was that 60.70% of the respondents were in favor of demolishing vacant or severely deteriorated buildings and replace with affordable housing. The majority of the respondents also stated that they would support seeking additional funding to extend affordable housing.

The Tobacco Valley Needs Assessment only provides a snippet of what is going on with the area's housing. In 2009 the Lincoln county Growth Policy was adopted. The Town of Eureka selected to participate in the County Growth Policy instead of conducting a separate process, thus the Town refers to the County's for the purpose of this intent to apply.

The Growth Policy focused on six components, which included housing. Attached is the Growth Policy for review. The specific detail that was outline in the Growth Policy that relates to this project was found on page 25 and highlighted below:

"Lincoln County has very extensive affordable housing needs of both homeowner and rental units. Property values are running at an all time high. Housing inventory for the Libby/Tory/Eureka areas has fluctuated significantly over the last year. While housing inventories have increased, low-income housing is difficult if not impossible to find. In 2000, a median priced home in Lincoln County could be purchased with a median household income; this is no longer true and is projected to become much worse in the future (Montana Department of Commer-2008).

"Lincoln County is aging quite rapidly as the population age 65 and older has the potential to double by 2020 which will greatly increase the needs for senior related housing and services. Seniors are staying in homes longer since middle housing stock (senior/elderly rentals and assisted living units) is in short supply. This result's in seniors moving from homes to nursing homes as there is little "in between" housing available". As a result, many potential starters, more affordable homes, are delayed ore kept of the market. As our population continues to age, middle housing stock needs will continue to grow."

Overall, the partners involved in this NSP3 proposed project see the need to increases the Town's access to LMI rentals with the focus towards Senior housing. More information is being obtained on today's Housing Market with a Market study being done through the Tobacco Valley Community Land Trust. It is hopeful that this study will be completed by the time the NSP3 full application is due. For the time being, working with Glacier Bank, a number of foreclosed homes were identified in the Eureka Town limits that are of interest for this project. In Town there are nine current foreclosed properties, mostly on the east side of Town.

Please note enclosed is both the Growth Policy Plan and the Needs Assessment. Focus should be given to pages 25 to 34 in the Growth Policy Plan and pages 13 and 14 in the Needs Assessment.

2. Discussion of selected target area(s) and the program type

The project for this NSP3 proposal will focus on the east side of the Town of Eureka in a specific neighborhood. This neighborhood was selected as its relation to the amenities in the community including easy access to transportation, groceries, schools, library, and downtown. The area boundaries are outlined in the attached HUD map. The partners involved feel that doing a program around rental housing focused on Senior "middle housing" stock will be the most beneficial to the area and fits the need of the community the best. It also will address the need to improve the overall neighborhood by removing vacant and blighted areas by rehabilitation and redevelop of foreclosed residential property.

3. Discussion of the impact to the community from the intended project

As outlined above the community's local housing needs will be addressed by this in-fill rehabilitation/redevelopment project. This project will impact the community by removing blighted/vacant foreclosed homes and replace with affordable rental housing focused on Seniors. According to the HUD Planning Data (attached) the estimated number of properties needed to make an impact in the identified area is one property. This project has already identified four properties with additional ones available that can be part of the NSP3 program in Eureka.

4. Summary that describes the manner in which the proposed project will meet the low income targeting goals

It is expected that at least of 25% of this project will be dedicated to senior housing which means at least 25% of the NSP3 funds received will go towards low income households. However, it is expected that the majority of the units built will go to LMI households given the continual unemployment and underemployment in the area.

The partners have not yet confirmed how many properties will be purchased but the idea is between 2 to 4 depending on final costs related to the rehabilitation. The four properties that have been selected as preliminary sites were selected based on current building, location, size and need. Three of the four can be used for rehabilitation into 2 unit rentals and one property will be a single family rental next to the school. It should be noted that one of the properties selected has already been converted to a 2 unit apartment complex so there would be less rehabilitation needs on that one over the others. Our total goal is to do all 4 properties with 1 single family unit, and 3 multifamily (2 units each) rentals.

The cost of purchasing all 4 lots is \$670,000 and an estimate only, based on a conversation with local contractor, of \$300,000 for rehabilitation. The overall expected budget is \$970,000 with the majority of the cost going into the purchase of the property. The idea is that if, during the budget work for the full application, the cost of rehabilitation becomes more we will limit one of the four properties and focus on completing 3 of the properties.

The partners involved will also work with the LMI households across the community on a number of workshops/classes that may include; managing a budget, homebuyers verse renters, first time homebuyers classes, etc. These classes will be provided through a combined effort between Glacier Bank and MSU-Lincoln County Extension and possibly approaching the Community Action Program in Flathead County to help with these workshops. This will prepare LMI households to become better renters and for the starter families prepare them to work into homeownership.

5. Project Beneficiary Assistance

The partners involved still have work to do in this area and need to confirm/agree to conditions for selection of the renters. The goal is to establish the LMI rentals which would provide affordable (quality) housing to the area's LMI residents and to maintain these properties as such for the duration of the buildings life span.

The partners are not considering individual assistance for the renters beyond the workshops to help them learn budgetary management. Eventually, as the partners grow and further capacity is built into the Community Land Trust, there would be consideration to expand into homeownership financing, subsidy assistance for rental and homeownership, and more rental units as need and funding allowed.

6. Implementation and Management

The partners and their respective roles in this project are the following:

- Town of Eureka (Town)- sponsoring Agency with Mayor providing oversight and active participation in decision process
- Eureka Rural Development Partners (ERDP) - Lead Administration for the project and experience in CDBG and public funding sources. ERDP's Director Tracy McIntyre also has completed the National Development Council's Housing Certification Program.
- MSU-Lincoln County Extension (Extension)- Assistance in Administration and development of workshops which includes connecting with outside resources to address needs
- Tobacco Valley Community Land Trust (TVCLT)- Active Partner with focus on housing marketing study and community involvement
- Glacier Bank, Eureka Branch (Glacier Bank)- Active Partner and will provide the funding to host the workshops for the community *
- Lincoln County Commissioner District 3 (Lincoln County)- Active Partner with involvement in the decision process and community involvement

As one can tell, this project is still in its infancy stage and the partners will need to enter into a progressive planning process in the next several months to outline all the components and work out the details. All of the above partners have verbally expressed their participation but further partnership development, performance measures, timeframe for project completion, and roles/responsibilities will need to be outlined. It is expected that this planning component will occur between now and May 2011.

Right now the concept for implementation and Management is that ERDP will be the lead administrator with assistance from the Extension office. A minimal administration fee will be included in the full application to offset expenditures and staffs time for both entities. ERDP, with the approval of the Town of Eureka, will be the responsible party for the completion of the full application and administration of the project until it is completed. Extension, again with oversight from the Town and input from all the partners, will be responsible for developing a training/workshop program that addresses the needs of the community on housing and assisting ERDP with any of the administration and project development/completion.

The idea is that upon the completion of this project the CLT will have developed more capacity and will become the main managers of the properties. Until that time the management will be a combined effort between all the partners (a representative committee) with ERDP and Extension providing the lead.

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.

Signature

Title

Date

** NOTE: The Mayor approached ERDP with this project and would have signed this document. However, the Mayor has recently lost a loved one and was not available for signatures.*

IV. HOUSING PROFILE

In the Tobacco Valley, ninety one percent (91.12%) of those responding to the survey own their own home. For nearly all, 96.66%, it is their primary residence and 92.86% live in there homes year round. Close to fifty nine percent (58.79%) of the respondents needed at least one home repair. Two hundred thirty four respondents requested 565 repair or replacement of windows, roofs, doors, foundations, walls, ceilings, furnaces, plumbing, electrical, water well, and septic, and additional insulation.

Affordable single family housing was the most requested property type and overwhelmingly viewed as the biggest problem. Three quarters of the population supported seeking additional funds to extend affordable housing opportunities in the valley. Sixty percent (60.70%) were in favor of demolishing vacant or severely deteriorated buildings.

A. Residential Sales

The average sale price of residential property listed with the Northwest Montana Association of Realtors' (NMAR) Multiple Listing Service, which sold between January 2006 and December 2006, was \$254,391 in the Tobacco Valley. The average price of residential property that sold between January 2000 and December 2006 increased by 131.91%. As evidenced by the sales data, there is a significant disparity between housing sale prices and household incomes in the Tobacco Valley. (Note: Residential property is often listed with acreage and Stryker's sales, listed below, are isolated incidents and not representative of typical residential sales).

Average Sold Price Comparison – Residential							
	2000	2001	2002	2003	2004	2005	2006
Eureka	106,544	142,431	149,085	157,264	162,593	181,611	251,176
Fortine	91,140	91,750	161,750	295,214	148,700	238,281	217,182
Rexford	144,000	146,375	131,294	188,245	151,100	214,396	292,283
Stryker		1,250,000			1,335,000		72,000
Trego	184,500	110,875	156,350	176,480	133,250	369,153	304,875
Subtotal	109,692	152,476	147,294	175,946	171,153	209,986	254,391
Lincoln County	106,868	153,042	148,799	184,068	171,222	214,593	250,890

Source: Northwest Montana Association of Realtors, MLS

In February, eleven active listings of single family residences with lots under .5 acres in Eureka were listed in the MLS. They ranged in price from \$85,000 to \$225,000 averaging \$131,900. However, the three homes listed at \$85,000 could only be sold together. Excluding those houses, the average is \$149,487. Rexford had two listings; \$229,900 and \$250,000 and Fortine had one at \$260,000.

No multi-family housing was on the market in February. It appears only five multi-family properties were on the market in the last five years and they housed two to four families.

B. Land Sales

The average price of land that sold in the Tobacco Valley between January 2000 and December 2006 increased by 112.51%. Only three city lots with water and sewer hookups are currently available; priced at \$47,500, \$75,500, and \$95,000.

Average Sold Price Comparison - Land							
	2000	2001	2002	2003	2004	2005	2006
Eureka	62,735	78,426	49,134	71,560	65,621	120,809	137,753
Fortine	42,227	27,750	18,767	56,719	75,565	130,359	132,862
Rexford	40,215	30,854	47,050	45,489	56,964	72,284	169,171
Stryker							20,000
Trego	109,910	98,556	69,808	122,555	97,257	85,819	120,364
Subtotal	65,788	62,496	45,476	71,748	66,582	104,527	139,807
Lincoln C	65,788	67,739	57,516	71,416	70,976	106,444	137,928

Source: Northwest Montana Association of Realtors, MLS

The escalating price of land and residence properties eliminate the affordability for local wage earners.

C. Home Purchase Assistance Programs

As evidenced by the number of long-time residents in the Tobacco Valley, many existing residents acquired their homes at affordable rates before housing prices started their rapid appreciation. However, also as confirmed by the TVNAS, a significant number, fifty nine percent (58.79%), need to repair or remodel their home. Costs for such renovation is beyond many households, especially those on fixed incomes.

There are not any local organizations in the Tobacco Valley to assist residents in taking advantage of affordable homeownership opportunities and programs offered by various state and federal agencies. Lincoln County defines affordability as housing that families earning 100% to 175% of the county median income can afford without spending more than 30% of their income on shelter.

Homeownership programs that may be available include: Rural Development, Rural Development Loan Leverage, FHA, Private Mortgage Insurance, My Montana Mortgage, Neighborhood Housing Services, Mortgage Credit Certificates, Board of Investments, Montana House, and Veterans Administration. Other Set-aside opportunities that may be accessed include: Housing and Urban Development (HUD 184), Habitat for Humanity, Down payment Assistance, Disabled Accessible Affordable Homeownership Program (DAAHP), Teachers Program, and other Special Programs. Low income housing tax credit may be utilized by owners of qualifying rental housing.

It would be beneficial to establish a local housing organizations with programs to provide education and assist residents in seeking affordable housing prospects.

HOUSING

Executive Summary – Conditions and Trends

Housing costs in western Montana are generally higher than in other parts of the state. The gap between income growths and housing prices grew much wider in Lincoln County from 2000 to 2005 and is estimated to get much worse by 2020. A generally accepted definition of affordable housing is housing costs do not exceed 30% of household income (Montana Department of Commerce- 2008). Personal income growth is falling further behind housing price growth thereby making housing less affordable. These factors have caused the affordable housing supply to be reduced significantly in Lincoln County. Some of the established housing stock has been poorly maintained over time and needs renovation and maintenance. Average annual wages in Lincoln County have decreased from 1990 – 2006 due to loss of higher salaried jobs (Montana Research and Analysis Bureau - 2008)

Strong housing demand has created a growing affordability gap that is approaching crisis proportions in Lincoln County and Northwest Montana. This increasing shortage of affordable housing affects the entire Lincoln County economy in areas such as workforce availability, workforce stability, workforce retention, delivery of basic and enhanced human services, school enrollments, municipal funding and business retention, expansion and recruitment.

Lincoln County has very extensive affordable housing needs of both homeowner and rental units. Property values are running at an all time high. Housing inventory for the Libby/Troy/Eureka areas has fluctuated significantly over the last year. While housing inventories have increased, low income housing is difficult if not impossible to find. In 2000, a median priced home in Lincoln County could be purchased with a median household income; this is no longer true and is projected to become much worse in the future (Montana Department of Commerce – 2008).

Lincoln County is aging quite rapidly as the population age 65 and older has the potential to double by 2020 which will greatly increase the needs for senior related housing and services. Seniors are staying in homes longer since middle housing stock (senior/elderly rentals and assisted living units) is in short supply. This result's in seniors moving from homes to nursing homes as there is little “in between” housing available. As a result, many potential starters, more affordable homes, are delayed or kept off the market. As our population continues to age, middle housing stock needs will continue to grow.

Lincoln County is seeing an influx of people seeking second/vacation homes which drives up the housing market and makes it appear that the County has more housing than is actually available.

Available housing does not mean affordable housing, although there are First Time Homebuyer programs available at below market interest rates and other programs to assist lower income people with down payment and closing costs. The high prices and lower income issues make it nearly impossible for young/new families to qualify for any type of home loan in today's market.

Lincoln County has seen a decline in average household size during the last decade. This decrease mirrored State and nationwide trends toward smaller households due to smaller family size, an aging population with more empty nesters, and more single or childless households.

Lincoln County is comprised of 9.2% privately owned non-forest land. Plum Creek Timber Company owns approximately 12.5% of the land in Lincoln County. In recent years, many private forest tracts have been sold off for residential development. The Company is responding to higher land values and the demand for rural recreational and residential properties by increasing land sales and developments within Lincoln County. This development will occur in the unincorporated areas of the County. This will be a significant growth issue Lincoln County will face in the future.

The overall housing goal is to promote balanced growth that will accommodate the projected population, and provide alternative approaches to meeting changing demographic and emerging needs. It is desirable and in the best interests of the County and local economy to promote the expansion of affordability in housing choices for all individuals, families, seniors, and other special needs groups. To maximize the cost effectiveness of providing future services and infrastructure, it is most cost effective and desirable to encourage new growth development near existing population centers. It will be important to foster high-quality development and redevelopment that protects our rural character and respects natural resources while supporting thriving communities.

Lincoln County does not have a county-wide lead organization working actively at this time to increase the number of affordable housing units. The Tobacco Valley has a Community Land Trust they have established to help address housing issues there. Neighboring Counties also have housing organizations working to create more affordable housing units. Lincoln County may wish to support the development of an organization to address housing affordability and supply issues.

HOUSING

Housing Units

In the year 2000, 73.7% of the housing units in Lincoln County were located in unincorporated areas. The number of housing units in Lincoln County has increased 16% from 1990 to 2000. This amounted to an annual average growth of 132 new units per year. The majority of this growth occurred in the unincorporated areas and this trend will continue in the future with the recent availability of Plum Creek Timber Lands being offered for sale in rural Lincoln County.

Table 1: Lincoln County Housing as Percent of Total Housing – 1990 and 2000

Geographic Area	1990 Housing Units	% of Housing Units	2000 Housing Units	% of County
Lincoln County Total	8,002	100%	9,319	100%
Libby	1,141	13.7%	1,281	14.3%
Eureka	491	5.2%	489	6.1%
Troy	409	5.0%	465	5.1%
Rexford	60	0.9%	81	0.7%
Unincorporated County	5,901	75.1%	7,003	73.7%

Source: U.S. Bureau of the Census. 2000 Census of Population and Housing

Housing Starts

From 2000 to 2004, the Montana Building Industry Association has reported 779 single-family housing starts in Lincoln County. This amounts to an annual average growth of 156 new units per year. There were 201 housing starts in 2004. These figures do not include mobile homes or apartments.

Table 2: Lincoln County Housing Starts – 2000 to 2004

	2000	2001	2002	2003	2004
# of Single-Family Housing Starts	130	107	149	192	201

Source: Montana Building Association, "Single Family Housing Starts by County,"

Household Size

In Lincoln County there was a decline in average household size during the last decade from 2.60 persons per household in 1990 and 2.40 persons in 2000. This decrease mirrored State and nationwide trends towards smaller households due to smaller family size, an aging population with more empty nesters, and more single or childless households. The average household size for the State of Montana was 2.45 in 2000. The average household size in the incorporated cities was smaller than the unincorporated areas.

Table 3: Average Household Size - 2000

	Lincoln County	Libby	Eureka	Troy	Rexford	Montana
Household Size	2.40	2.20	2.26	2.25	2.16	2.45

Source: US Census, 2000 Census of Population

Vacancy Rate

In 2000, vacant units comprised 17% of the housing stock in the County. Among these units, almost half were classified as seasonal homes. The majority of these seasonal homes were located in the unincorporated areas. Units that are for sale or rent accounted for 35% of vacant units, while units classified as "other" (units that are vacant but not for sale or rent) accounted for 12% of vacant units throughout the County. These "other" units comprised a larger portion of vacant units in the incorporated areas. Lincoln County is seeing an influx of people seeking second/vacation homes which makes it appear that the County has more housing available than it actually does. This is occurring primarily in the Tobacco Valley Area that is seeing a strong Canadian influence and the Thompson Chain of Lakes areas where Plum Creek Timber Company lands are being developed for vacation/residential properties.

Table 4: County Housing Unit by Occupancy - 2000

Type of Housing Unit	Lincoln County		Libby		Eureka		Troy		Unincorporated areas	
	#	%	#	%	#	%	#	%	#	%
Occupied Housing Units	7764	83%	1149	90%	426	87%	421	91%	5,768	81%
Vacant (Total)	1,555	17%	132	10%	63	13%	44	9%	1,316	19%
Vacant - For Rent, For Sale or Sold	539	35%	87	66%	43	68%	26	59%	383	29%
Vacant – Seasonal	821	53%	9	7%	6	10%	9	20%	797	61%
Vacant - Migratory	2	--	0	--	0	--	0	--	2	--
Vacant - Other	193	12%	36	27%	14	22%	9	20%	134	10%

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing

Housing Unit by Type

In 2000, traditional single-family units were the predominant type of housing in the County, comprising 70.7% of all housing units. Mobile homes made up 22.5% of housing stock while duplexes and multi-family units comprised 5.9% of all units in the County. The majority of multi-family units (65%) were in Libby while the majority of mobile homes (89%) were in the unincorporated areas. The number of mobile homes increased from 1,941 in 1990 to 2,096 in 2000.

Table 5: Housing Units by Type - 2000

Type of Unit	#	%
Single-Family Detached	6,587	70.7%
2-4 units in structure	328	3.6%
5+ units in structure	218	2.3%
Mobile Homes	2,096	22.5%
Boat, RV, Van	90	1.0
Total	9,319	100%

Source: U.S. Bureau of the Census. 2000 Census of Population and Housing

Housing Condition

The Montana Department of Commerce Housing Division conducts a periodic, "Housing Condition Study" to collect information in support of the Montana Consolidated Plan for Housing. The purpose of the study is to evaluate the current stock of housing in Montana and better understand what type of housing structures are available to rent and purchase. The data was compiled from the database of buildings in Montana. This data base is maintained by the Montana Department of Revenue.

The financial appraiser gives single family homes a rating that describes the condition of the dwelling. The rating is based on the overall physical condition or state of repair, and the condition of such features as foundations, porches, walls, exterior trim, roofing and other attributes. The rating system follows:

- Unsound - indicating that the dwelling is structurally unsound, not suitable for habitation, and subject to condemnation.
- Poor - indicating that the dwelling shows many signs of structural damage (sagging roof, foundation cracks, uneven floors, etc.) combined with a significant degree of deferred maintenance.
- Fair - Indicating that the dwelling is in structurally sound condition, but has greater than normal deterioration relative to its age (significant degree of deferred maintenance).
- Average - indicating that the dwelling shows only minor signs of deterioration caused by normal "wear and tear."
- Good - indicating that the dwelling exhibits an above ordinary standard of maintenance and upkeep in relation to its age.
- Excellent - indicating that the dwelling exhibits an outstanding standard of maintenance and upkeep in relation to its age.

Only 3% of the single-family housing stock in Lincoln County is rated as unsound or in poor condition, and 8% of the single-family housing stock is rated as fair. This is below the statewide average of 9.2% of housing units that are in poor or worse condition. Of the majority of single family housing units in the County, 80% are in average condition, while 8% of the units are in good. Almost all of the homes rated in good condition are in the unincorporated areas. Statewide, 35% of homes are rated as good or excellent condition in 2005. The majority of mobile homes in the County are rated in fair condition, and only 12% are rated in good condition. This compares to 37% of mobile homes rated in good condition statewide.

Housing Quality & Workmanship

Another measure of housing condition is quality and workmanship. These ratings evaluate whether the structure was constructed with below average, average, or above average materials. Generally, maintenance on lower grade homes may be higher than they might be otherwise, and may result in future higher maintenance problems.

In Lincoln County, 27% of homes were rated as having cheap, poor or low cost workmanship and quality. This is higher than the State average of 22% in these lower categories. In the County, 34% of homes rated as average or above average workmanship compared to 41% statewide.

Table 6: Lincoln County Single-Family Housing Quality and Workmanship - 2005

Rating	Homes	% of Total
Cheap	276	2%
Poor	900	7%
Low Cost	2,450	18%
Fair	4,456	33%
Average	4,542	34%
Good	640	5%
Very Good	60	--
Excellent – Superior	10	--
Total	13,334	100%

Source: Montana Department of Housing, "Montana Housing Condition Study - Technical Appendix, Volume II," September 1999

In the County, 75% of mobile homes were rated as low cost compared to a statewide average of 54%. The statewide trend indicates that the majority of mobile homes with lower quality ratings were dated to the 1970s, with newer mobile homes using better materials and workmanship.

Housing Costs – Home Owners

Data from the 2000 Census indicates that the value of owner-occupied housing in Lincoln County was below the average for the State of Montana and significantly below other western counties. Sample data collected in 2003, however, indicates a significant increase in housing prices, and the price gap between Lincoln and other neighboring counties is getting narrower. This sample data is based on single-family home sales.

Table 7: Single Family Home Median Housing Value for Selected Counties - 2000 & 2003

County and State	2000 Median Value Census	2003 Median Value Board of Housing
Lincoln	\$82,600	\$123,250
Flathead	\$125,600	\$159,000
Sanders	\$82,900	\$120,000
Lake	\$117,200	\$155,000
Missoula	\$136,500	\$169,950
Montana	\$99,500	--

Source: U.S. Census of the Population & Housing, 2000 & Montana Board of Housing

Housing Costs – Renters

The average rent in Lincoln County in 2000 was the lowest among of State western counties. More recent data from the Montana Department of Commerce indicates that although rental costs are increasing, they continue to be among the lowest in the western part of the State. For example, in 2005, the average for a two-bedroom rental in Libby was \$503 per month compared to \$818 a month in Kalispell (Flathead County) and \$695 a month in Pablo (Lake County).

Table 8: Median Housing Rent for Selected Counties - 2000

County	2000 Median Rent
Lincoln	\$364
Flathead	\$484
Sanders	\$390
Lake	\$403
Missoula	\$530
Montana	\$447

Source: U.S. Census of the Population & Housing, 2000

The current rental units are rented almost as fast as they go on the market. Many of the rental houses are considered substandard housing while the apartments are usually very nice. The Section 8 Rental Assistance program for low income families is averaging a 2-3 year waiting list.

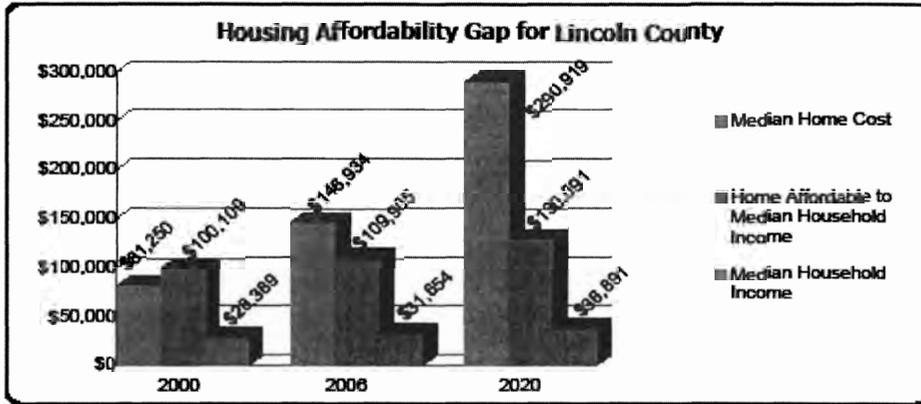
Housing Affordability

The Montana Department of Commerce recently released a White Paper on affordable housing that was drafted in April 2008. The white paper illustrates that in 2000 the median income in Lincoln County could afford a median priced home. But with the cost of housing escalating rapidly and the median wage progressing very slowly the median household income in Lincoln County can no longer afford a median priced home.

Housing Statistics and Projections for each county in Montana

Data collected by Housing Coordinating Team for the White Paper in an effort to document the housing affordability problems experienced by Montanans in 2006 and to predict the potential face of the problem in 2020, if no changes are made to current practices and trends.

County:
Lincoln



Select Occupations and the ability to obtain affordable housing in Lincoln County

	2006				2020			
	Average Annual Pay	Median Home Cost	* Home Affordability Excess/Shortfall	% of Income to rent 2-bedroom apartment	Average Annual Pay	Median Home Cost	* Home Affordability Excess/Shortfall	% of Income to rent 2-bedroom apartment
All Wage Earners	\$26,780	\$146,934	(\$22,499)	29.4%	\$21,865	\$290,919	(\$213,817)	75.3%
Licensed Practical Nurse	\$30,120	\$146,934	(\$40,721)	26.2%	\$35,104	\$290,919	(\$167,132)	46.9%
Police Officer	\$36,180	\$146,934	(\$19,352)	21.0%	\$42,167	\$290,919	(\$142,225)	39.0%
Elementary School Teacher	\$35,860	\$146,934	(\$20,480)	22.0%	\$41,794	\$290,919	(\$143,641)	39.4%
Retail Salesperson	\$18,970	\$146,934	(\$30,040)	41.5%	\$22,109	\$290,919	(\$212,956)	74.4%
Senior on fixed-income	\$12,950	\$146,934	(\$101,267)	60.0%	\$18,892	\$290,919	(\$224,330)	87.2%

* (red) indicates shortfall

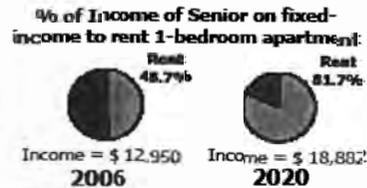
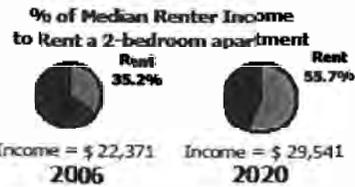
Housing Units and Structure-type data for Lincoln County

Homeownership rate in 2000 = 76.5%
Households in 2008 = 7,980 -- Vacancy rate in 2000 = 16.7%
% change in population, 2006 to 2020 = 6.8%
% change in households, 2006 to 2020 = 9.3%

Estimated Housing Units needed by 2020 in Lincoln County

Housing Units	Units in Four-Category Lost by 2020	Units in Good Condition Available in 2020	Total Housing Units Needed by 2020	New Housing Units that must be created by 2020
TOTAL	7,533	10,850	10,152	-698
Single-family	4,510	8,753	?	?
Multi-family	73	434	?	?
Mobile Homes	2,950	1,663	?	?

The data in the table gives a rough estimate of housing needs and some suggested options for the county in meeting these needs in the future. Our option is to focus on rehabilitating the units in poor condition. This will reduce the number of new units needed. The type of new units will be determined entirely by whether they will be owned or rented. The higher the housing costs relative to incomes, the more expensive both rental and homeownership housing will be and the fewer new homeowners will be created between the years 2006 and 2020. What types of housing structures best fit the county's needs for homeowner and rental households in the future, given the costs of homeownership and rental units projected in the other charts above?



The generally accepted standard definition of Affordable Housing is that housing costs do not exceed 30% of income.

Montana Department of Commerce, Housing Coordinating Team, White Paper, April 2008

The U.S. Department of Housing and Urban Development (HUD) defines a cost burden as that level of income at which housing costs consume at least 30% of household income. Housing costs include monthly payment (rent or mortgage, taxes, insurance and utilities). At this level, it is possible to qualify for a loan but the buyer must have little or no other debt. When housing costs exceed 30% of income, it is difficult for homebuyers to qualify for a loan. As the MDOC White Paper indicates on Figure 1 the trends are for larger percentages of income being needed for housing in the future which will be very difficult for median income households and devastating to low and fixed income households.

Home Ownership

Lincoln County has among the highest rates of homeownership in the State. Factors such as housing costs and demographics influence rates of ownership. In 2000, Lincoln County had a 77% rate of home ownership.

Table 9: Percent of Homeownership by County - 2000

County and State	% Home Owner
Lincoln County	77%
Flathead County	73%
Sanders County	76%
Lake County	71%
Missoula County	62%
Montana State	69%

Source: U.S. Census of the Population & Housing, 2000

Group Quarters

The U.S. Census Bureau defines group quarters as living facilities for persons not living in households. Typical types of group quarters include nursing care facilities, group homes, detention centers, and dormitories. Often these facilities provide housing for persons with special needs and are a critical component of the housing inventory. In Lincoln County, these special need groups include the disabled, seniors, homeless, and youth. The largest of these groups is the elderly senior population.

Nationwide, and in Lincoln County, one of the most significant demographic trends is the aging of the population. This results in a higher demand for assisted living in group quarters. The 2000 census data indicates that there were 126 persons living in nursing homes.

Lincoln County is aging quite rapidly as the population 65 and over projections illustrated in Figure 2. The percent of people age 65 and older has the potential to double by 2020 which will greatly increase the needs for senior related housing and services.

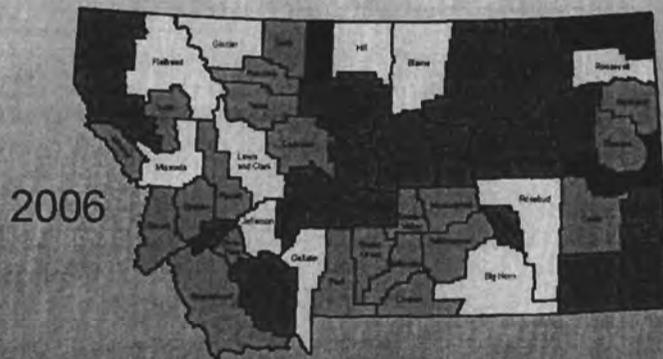
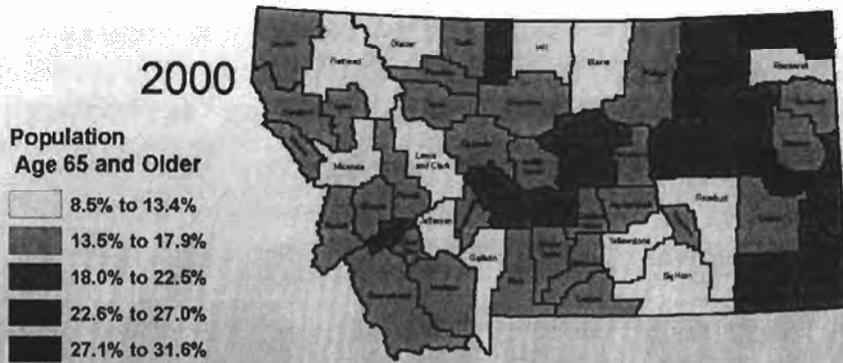
To properly prepare for the future's aging population, Lincoln County will need to address middle housing stock needs to include senior housing rentals and assisted living facilities. Additional facility needs will include nursing homes with medical facilities in close proximity.

Table 10: Lincoln County Group Quarter Population - 2000

Group Quarters	
Nursing homes	126
Correctional	25
Juvenile Correctional	22
Group Home	14
Other	4
Total	191

Source: U.S. Census Bureau - Census of the Population 2000

65 and Over Population - Montana: 2000 to 2020



Source: NPA Data Service, Inc. 2006.

Housing Assistance

The following agencies provide housing assistance:

Northwest Montana Human Resources
214 Main Street
Kalispell, MT 59904
(406) 758-5477

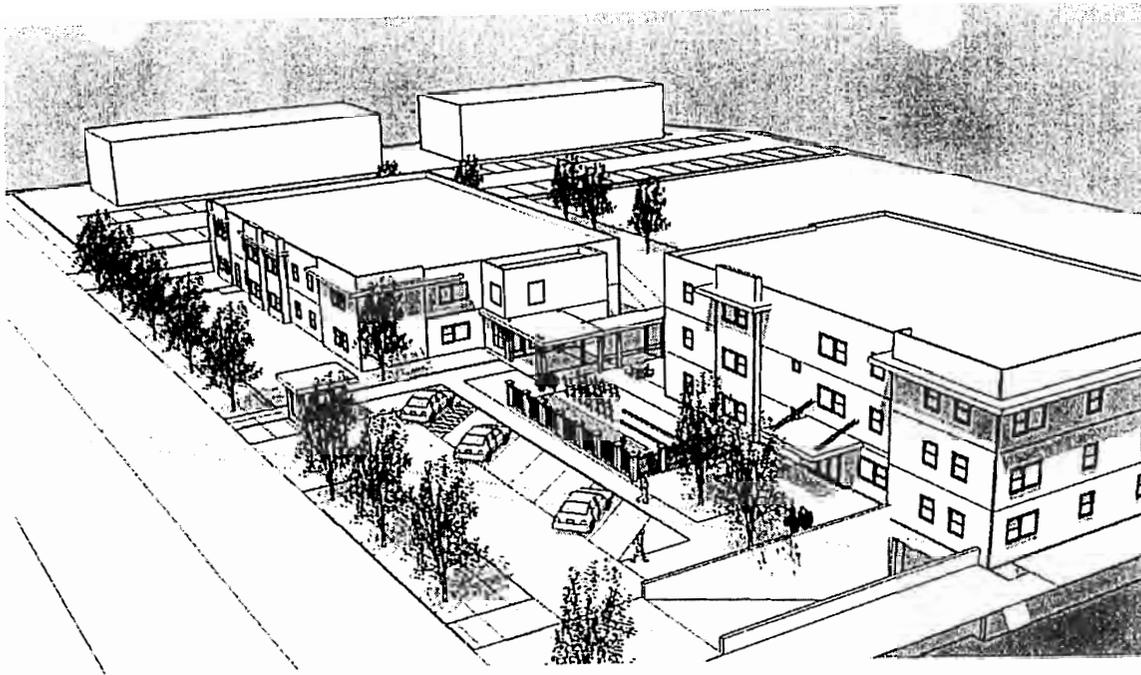
Serving: Flathead, Lake, Lincoln, and Sanders counties.

Provides: Foreclosure Counseling, Pre and Post Home Purchase Classes, First Time Home Buyer Education, and Reverse Mortgage Counseling for seniors. Additionally, Self Help Housing, Section 8, Courtyard Apartments, Senior Home Rehabilitation.

USDA Rural Development, Kalispell Area Office
Tamarack Center
450 Corporate Drive, Suite 111
Kalispell, MT 59901
406-756-2005

Provides: Single and Multi - Family Housing programs and Community Facilities Programs.

See Chapter 7 (Implementation Plan part IV) "Lincoln County Action Plan" for Housing Goals and Objectives.



RMDC MidTown Residences
Revised Preliminary Site Concept – June 23, 2009

Lot size – **117, 316 s.ft.**

Existing Zoning: CLM
 Possible Zone Change to B-2
 Allowable Lot Coverage for B-2 = No maximum

Zoning for B-2

Setbacks:

Front lot line setback: No minimum.
 Rear lot line setback: No minimum,
 unless abutting residential, then 15' minimum.
 Side lot line setback: No minimum,
 unless abutting residential, then 10' minimum.

Height: 42'

Commercial/Mixed Use Development on Montana Avenue: 37,600 s.ft.
Phase 1: Senior Housing on Boulder Avenue: 46,230 s.ft.
Phase 2: Multi-family Housing on Lyndale Avenue: 33,486 s.ft.

Phase 1: Boulder Avenue area developed as Senior Housing with 30 units of 1 and 2 bedroom apartments.

2 structures with under-building parking garage.

Building 1: 2 Story Structure.

Building Footprint

14 Units – 2 Stories w/ common parking below
 (6) 2-bedroom units – 900 s.ft. per unit
 (8) 1-bedroom units – 700 s.ft. per unit

7,777 s.ft. x 2 stories = 15,554 s.ft.

Building 2: 3 Story Structure.

16 Units – 3 Stories w/ common parking below
 (9) 2-bedroom units - 900 s.ft. per unit
 (7) 1-bedroom units – 700 s.ft. per unit
 Total Building Footprint:

6,440 s.ft. x 3 stories = 19,320 s.ft.

14,217 s.ft.

Landscaped Area:

24,800 s.ft.

Parking:

Senior Housing: 1 space per 3 dwelling units: 30/3 = 10 spaces required.

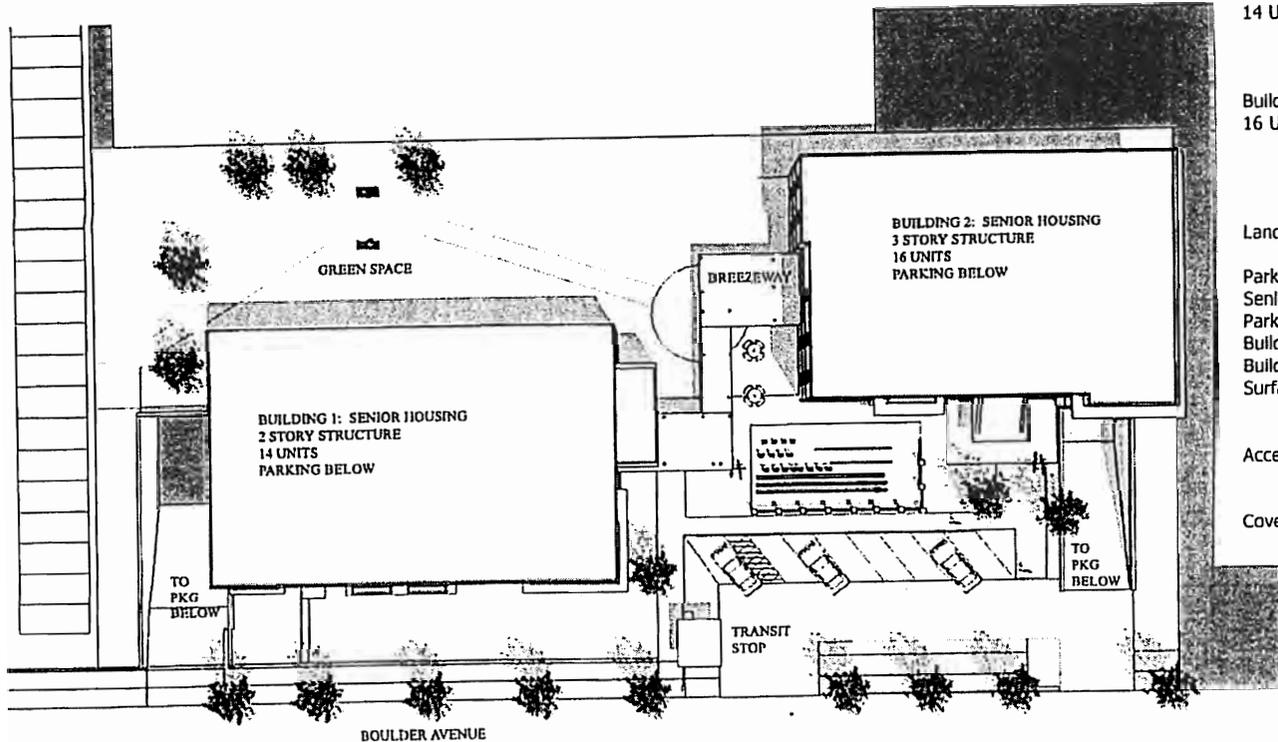
Parking Provided:

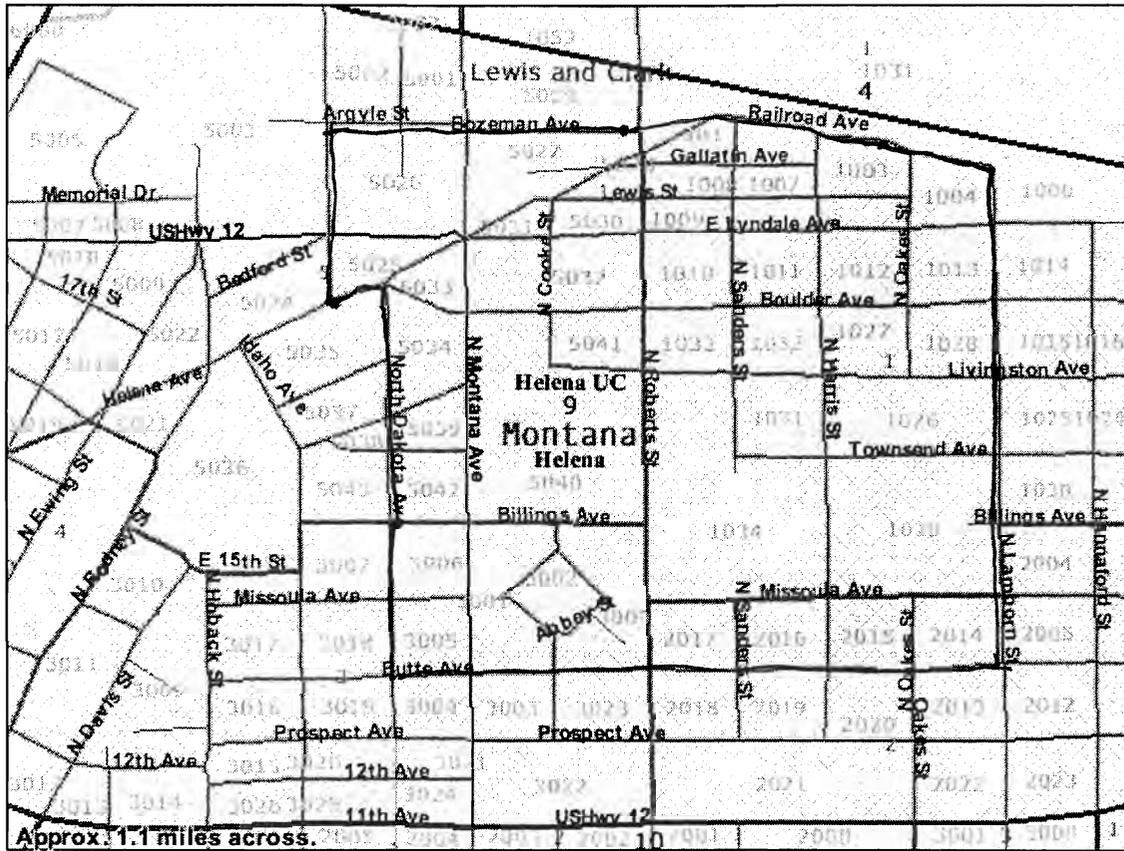
Building 1:	13 spaces in garage.
Building 2:	11 spaces in garage.
Surface Lot:	<u>6 spaces</u>
Subtotal	30 spaces

Accessible Parking:

Total Parking:	<u>2 spaces</u>
	32 spaces

Covered Transit Stop on Boulder Avenue.





HARDIN – INTENT TO APPLY

DATE OF APPLICATION

DATE RECEIVED (AGENCY USE ONLY)

NSP3 'Intent to Apply' Form

Part 1		(Local Government Name) Activity Description	
Intended Applicant Information	Big Horn County		Name
			Mailing Address
			City, State, Zip Code
			Telephone Number
		Email	
Intended Partner (Developer) Information	District 7 HRDC		Name
	501 (C)(3) Private non-profit		Type of Entity
	P.O. Box 2016		Mailing Address
	Billings MT 59101		City, State, Zip Code
	(406) 247-4787		Telephone Number
		Email Sboelter@hrdc7.org	
Activity Name	(Enter the name of Activity) J		
Intended Uses	Select all that apply:		
	<input type="checkbox"/>	Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/>	Eligible Use C: Land Banking	
	<input type="checkbox"/>	Eligible Use D: Demolition	
<input checked="" type="checkbox"/>	Eligible Use E: Redevelopment		
National Objective	Low, Moderate and Middle Income (If not LMMI, please identify another National Objective)		
Program Types	(Please select from one of the identified Program Types from Section D) <i>Trailer - Down Homeless</i>		
Location Description	(Area or possible areas of greatest need where activity is being undertaken. Please attach a map of the eligible areas and identify the census tract(s) or block group(s))		
Intended Project Beneficiaries	(Please note that the project must meet the requirements listed in Section E)		
	<u>100</u> % is estimated to serve low income households		
		# Units will Serve 0% -50% AMI	
	6	# Units will Serve 51% -120% AMI	
	6	TOTAL # of Units	
		Amount of funds set-aside to serve 0% - 50% AMI	
\$ 100,000	Amount of funds set-aside to serve 51% - 120% AMI		
\$ 100,000	TOTAL amount of MDOC - NSP3 funds		
Budget	Source of Funding	Dollar Amount	
	MDOC - NSP3	\$ 100,000	
	(Other funding source)	\$ 36,000	
	(Other funding source)	\$	
Total Budget for Activity			\$0.00 136,000
Current Site Status	(foreclosed, bank owned, vacant, etc.)		
Projected Start Date	9/2011		
Projected End Date	8/2012		
Activity Description	Enter narrative in Part 2 and Part 3 (below) describing the activity being undertaken and expected benefit to income-qualified persons. See additional information listed in Section F		

Part 2

Please provide brief description of proposed project:

See attached.

Part 3

Please provide a narrative discussion to the following items regarding the proposed activity:

See attached

1. Preliminary Market Analysis
2. Discussion of selected target area(s) and the program type
3. Discussion of the impact to the community from the intended project
4. Summary that describes the manner in which the proposed project will meet the low income targeting goals
5. Project Beneficiary assistance
6. Implementation and Management

Certifications

The intended applicant agrees to comply with all applicable parts of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. §§ 5301, *et seq.*; the applicable Department of Housing and Urban Development (HUD) regulations, including but not limited to 24 CFR Part 570 and Form HUD-4010, the Housing and Economic Recovery Act of 2008, and the Wall Street Reform and Consumer Protection Act of 2010, and, as now in effect or as they may be amended during the duration of the programs. The intended applicant agrees to comply with all administrative directives and procedures that may be established by Commerce, including the most recent version of the CDBG/NSP Grant Administration Manual, as amended; and any other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.

Sheri Boelter

Signature
Chief of Development

Title
2/9/11

Date

NSP3 Intent to Apply

District 7 HRDC

Activity Description

Part 2:

The purpose of the project is to provide down payment assistance, closing costs and/or gap financing for those families wishing to replace their substandard manufactured homes with a new or standard unit of manufactured housing or modular home in the Big Horn County area. The project will provide affordable homeownership opportunities for low and very-low income families with annual incomes below 80% of the area median income. All homes will be placed on permanent foundations and meet the current HUD building standards for newer manufactured housing.

Part 3:

1. Preliminary Market Analysis: The housing needs assessment identifies needs for affordable housing in the community of Hardin and the surrounding Big Horn County area. The report contains information collected from both primary and secondary research including community surveys with developers, realtors, landlords and low-income citizens. The secondary data such as the community needs assessment from Great West Engineering, Montana Housing Needs Assessment, Montana Department of Commerce, and the Northwest Area Foundation are credited to the source and are used for analysis.

The report reflects a need for more affordable housing units in the community of Hardin to meet the unmet need of citizens looking for an opportunity for homeownership.

Demographic and Economic Analysis:

- To assess the need for housing in Hardin and the surrounding communities, a demographic profile was compared to recent economic trends.
- The population of Big Horn County was 12,841 in 2008, showing only a slight increase of 2% in 2009.
- Household growth in Big Horn County only increased by 1.3 % between 2000 and 2008.
- Big Horn County has an unemployment rate of 9.5% which is higher than the entire state of Montana by 2.7%. (May 2010, Workforce Services Division, State of Montana)
- Big Horn County has approximately 6,500 jobs available in the county including private and public, full-time and part-time employment as well as wage and salary employment.
- The median household income in Big Horn County in 2008 was \$37,664. To appeal to households with moderate or low incomes new housing needs to be modestly priced, by minimizing development costs.
- The overall poverty rate among Big Horn County residents was 24.5 % in 2008 compared to 14.1% in Montana. The county is ranked 3rd highest poverty rating out of the 56 counties across the state of Montana.

For-Sale Market Analysis

- The average resale price of homes in Big Horn County was \$169,656 in June 2010.
- A total of 37 listings were found on the primary realtors' website for Big Horn County, (Murdock Realty), approximately 92% of the homes listed was located in the city limits of Hardin. The price range was \$35,000-\$499,000, with the average price of \$170,000. The area does not have a MLS listing as there is only one realtor in the immediate area and two out of area realty companies that provide listings for Big Horn County.
- A total of 4 homes were listed for sale in the remainder of the county. Of these homes 75% were priced below \$100,000 while 25% of the homes were listed in the \$120,000.

Rental Market Analysis

- In 2008 35% of all households were rental households.
- The rental market vacancy rate in Big Horn County appears to be tightened after interviewing area landlords. Most landlords in the area are not charging an application fee and state their rental units are in overall "fair" condition with a few "good" units.
- The Fair Market Rent for a three-bedroom rental is \$758 per month
- There are 78 applicants on a waiting list with landlords waiting for an opportunity to rent a unit.

Demographic Profile and Housing Demand

Several key demographics and home buying trends that affect housing demand in a community and types of housing that are needed in various life cycle stages are explained below. As the population changes in age, so do the demands on housing requirements. . (REALTOR Magazine Online, www.realtor.org)

Entry-Level Households- As people enter the workforce in Big Horn County they will likely seek to rent an affordable apartment. This category is usually singles or couples in their early 20s and will often share an apartment with roommates; however, when people relocate to the area they may too be looking to have a roommate until their job is stable and family members have joined them. Families with new jobs in the community may be looking at renting as an option before deciding to purchase a home.

First-Time Homebuyers and Move up Renters- With the new police force being developed in the community of Hardin and the on-going population of essential workers in the community the need for affordable homeownership programs is a true necessity. The average homes most first-time homebuyers can purchase are in need of up to \$20,000 in repairs just to ready the property for initial move in status. This group of buyers prefer to purchase modest single family homes or rent more upscale apartments. As this age group is usually in their 20's and 30's they tend to have less disposable income, so affordability is an important feature. The affordable housing needs to be in close proximity to the community in which this age group works, and have accessibility to both public and private services. First-time homeowners in this age group are also looking for homes with more bedrooms, heavy duty appliances, and large living space for more at home entertainment to accommodate their families.

Move-up buyers- Generation X, born between 1964 and 1978, identifies homeownership as a part of the American Dream. As the Xers enter their 30s and 40s and have families, they are looking to move up in the housing market, purchasing newer, larger single family homes.

Empty Nesters- This segment is made up largely of aging Baby Boomers, the generation born between 1946 and 1964 is nearing their senior years and they're looking for houses that will enable them to maintain their independent lifestyles .

Older Senior Citizens- may need to move out of their single family homes due to health or physical constraints or a desire to reduce their responsibilities for maintenance.

CONCLUSIONS AND RECOMMENDATIONS

HRDC has combined the information available; including interviews with key stakeholders in the community and a thorough evaluation of the factors which were available and makes the following conclusions:

- The housing market appears to be deficient in meeting the current demand for homebuyers who wish to purchase a home that meets all the housing quality standards set by the Department of Housing and Urban Development (HUD). The current housing stock is aged leaving affordable housing options for low-income households to be on average 70 years old or older. The majority of houses in the affordable range were built around 1940. Several realtors in the area commented on the aged housing stock needing upgrades to be in a suitable living condition. The average renovation quoted by this same group of realtors was approximately \$15,000 dollar range for improvements.
- Several community members including landlords, realtors, and local officials commented on the need for affordable, decent rental housing for the elderly and young families looking for first time rental units. The majority of rental units available in the community are older homes, pre-1976 manufactured homes, with only a few apartment rental units. The waiting list for rental units is currently at approximately 75 families.

2. Selected target area and program type: This study examines the future housing demand for Big Horn County, Montana. Hardin, the county seat is the primary economic center and accounts for the majority of the job growth in the county. This study focuses primarily on the housing needs in the Hardin city limits, but is not limited to this area. A map of Big Horn County is shown below.

According to the U.S. Census Bureau, the county has a total area of 5,015 square miles (12,988 km²), of which, 4,995 square miles (12,936 km²) of it is land and 20 square miles (51 km²) of it (0.40%) is water. Most of the county's land area comprises Indian reservations: The Crow Indian Reservation covers 64.2 percent of its area, while the Northern Cheyenne Indian Reservation covers another 6.37 percent.

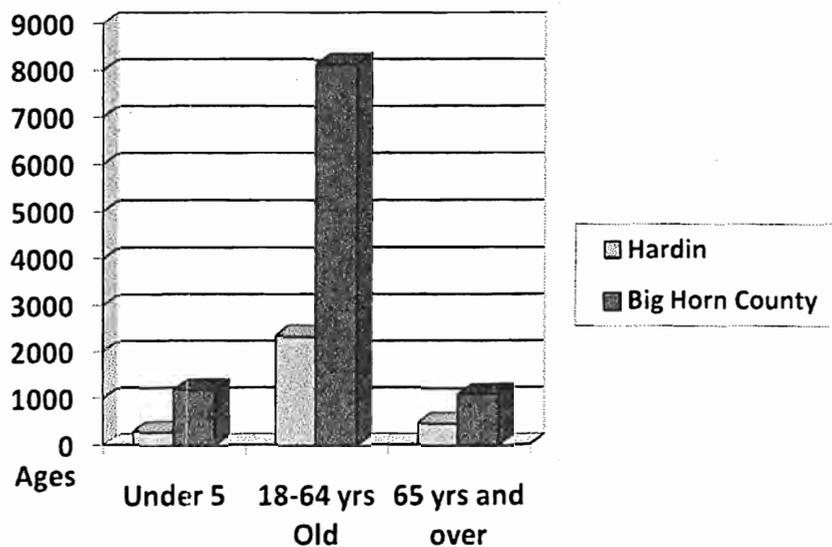


Population and Household Growth Trends

Census Data shows the population of Big Horn County has been increasing since 2000. Overall Big Horn County saw a 2.7% change in population from April 1, 2000 to July 1, 2009. Population estimation in 2009 for the county was approximately 13,015 compared to the April 1, 2000 estimation of 12,671. The general demographics from the Annual Estimates of the Resident Population for Incorporated places in Montana list the total population in the city of Hardin at 3,532 or 28 % of the counties total population.

Population Age Distribution Trends

The distribution of ages in Big Horn County helps determine the need for various housing types, since changes in ones life cycle require different housing needs. Householders' ages 18 to 25 are generally renter populations and have a strong desire to learn about opportunities for first time home-buyer opportunities. Householders' ages 25 to 44 are generally ready and hold established employment showing an increased desire to own a home, on a limited income. This age group is the largest age group in the Big Horn County area and exhibits the need for more affordable housing to match the local area median income. The table below reflects the general population demographics in 2000. (U.S. Census Bureau, 2000)



Poverty and Per Capita Income

The estimate for the "Montana Counties Report" for 2008 from the U. S. Census Bureau reflects **24.5 %** of all age groups in Big Horn County live in poverty.

Personal income is the income that is received by person from all sources. Per capita personal income is calculated as the personal income of the residents of a given area divided by the resident population of the area. In computing per capita personal income, BEA uses the Census Bureau's annual midyear population estimates. (Regional Economics Information Systems, Bureau of Economic Analysis, U. S. Department of Commerce, April 2010.) The per capita income for the state of Montana is \$34,622 with Big Horn County per capita being one of the lowest in the state at \$23,799 (2008).

The Big Horn County unemployment rate as of May 2010, according to the Workforce Services Division of the Montana Department of Labor & Industry, was at one of the highest rates across the state at 9.5%, surpassing the states average unemployment rate of 6.8%.

Homebuyer Assistance will be provided in the form of no interest, deferred payment mortgage loans for the difference between the purchase prices of the manufactured homes and the first mortgage loan amounts for which the homeowners qualify. Substandard homes will be decommissioned. Down payment and closing costs, manufactured home transportation, set-up costs, porch and step construction, and permanent foundation construction costs may be included in the loan. The amounts and types of assistance will vary according to the income level and needs of each participating household.

3. Impact on community: A total of 37 homes were listed for sale in the area. Of these homes half were priced below \$125,000 while one-fourth of the homes were listed in the 126,000 and 200,000 range, 27 % of the homes were greater than \$200,000. Homes that are correctly priced, according to realtors, stay on the market for approximately 120 days. The price range easiest to sell in Big Horn County is \$ 40,000 to \$100,000. During 2009 there have been 45 homes list in this price range, out of over 300 homes listed in the area. To purchase a home in this range, the household monthly income would need to be \$ 960 for the lower end (with no debt). As people search for moderately priced homes, modular homes can be an attractive option. As a general land use planning practice, zoning ordinances allow for Modular Housing to be placed on any city lot as it is classified the same as any stick built property. Modular housing placed on permanent foundation has been an affordable housing option for several low-income families.

4. Meeting low-income targeting goals: HRDC will target families that have an annual income that does not exceed 80% of the area median income and the selected families will utilize the NSP-assisted residence as its principle residence. The purchase price of the manufactured home will not exceed FHA 203(b) mortgage limits. HRDC will determine eligibility on the basis of personal interview and verification of all pertinent information. Household status by number of family members and handicapped members and household income will be verified. Annual income will be calculated as defined in 24 CFR Part 5. Income verification may include documents provided by the applicant such as

payroll stubs, unemployment compensation documentation, or Social Security Administration letters. Copies of the documentation will be kept in each of the applicant's file.

5. Project Beneficiary Assistance: Given the unique, individual family circumstances, the amount of money per household will be on an as needed basis. NSP funds per household will be no less than \$1,000 and no more than \$50,000 per household for gap financing with NSP funds. These funds will be as a 0% deferred loan for a period of affordability. Each household will be required to complete an application for assistance. The precise amount of NSP funds will be based on the financial circumstances and needs of each participating household and the total purchase price of each home.

6. Implementation and Management:

Reducing site costs has a significant impact on the cost of constructing affordable housing. HRDC has purchased four lots in the community of Hardin in the Frontier Courts housing subdivision. The lots are complete with a sound infrastructure in place and can serve as a great option for affordability to low-income homebuyers. The project has undergone strategic planning through HRDC, community officials and potential new homeowners whom may qualify for the new affordable housing.

- The lots previously purchased by HRDC will be used as affordable housing sites with a permanent foundation constructed on each lot to be the base for a new affordable modular home.
- The new modular home will be chosen by the new homeowner and fit to the family needs
- The new homeowners will be assisted throughout the home buying process. Participants who qualify for the new homes will have completed pre-purchase counseling, budget counseling and may also participate in the Family Savings programs available at HRDC for down payment savings.

We may determine need from blighted areas from our Weatherization list- low-income residents in Big Horn County who are residing in pre-1976 substandard manufactured homes. Interested homeowners will complete an application and attend an interview.

We have developed an effective recordkeeping and filing system for the Manufactured Home Replacement program. Applicant must provide proof of ownership of property for which the applicant is seeking a home assistance loan. The must occupy the home on a year round basis. They must qualify as a single-family property. Ownership must not be unduly encumbered by secured debts, outstanding tax liens or delinquent government debts, or court affirmed judgments. Project assistance will be made available in the form of no interest loans. At the end of the period of affordability, a release of lien will be given to the homeowner and the loan forgiven if that person has maintained the house as their permanent resident. The housing specialist will monitor all NSP assisted properties on an annual basis to ensure compliance with deed restrictions and covenants.

All program beneficiaries will be required to complete a homeownership course as part of the application process before funds are released. HRDC will assure compliance with all NSP requirements during the period of affordability.