



**SUBSTANTIAL AMENDMENT #2  
TO THE FISCAL YEAR 2010  
ACTION PLAN  
(NEIGHBORHOOD STABLIZATION  
PROGRAM 3)**

**West Virginia Development Office**

**May 23, 2011**

## 1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Bailes, Jeanna - Manager, Project Development
Email Address	Jeanna.G.Bailes@wv.gov
Phone Number	304-558-2234
Mailing Address	WV Development Office, Building 6 Room 553, Capitol Complex, Charleston, WV 25305

## 2. Areas of Greatest Need

### Map Submission

The map generated at the HUD NSP3 Mapping Tool for Preparing Action Plan website is included as an attachment.

### Data Sources Used to Determine Areas of Greatest Need

**Describe the data sources used to determine the areas of greatest need.**

Response:

The primary data sources used to determine the areas of greatest need are:

- The NSP3 Need Scores for West Virginia
- The amount of funds available for use under NSP3

### Determination of Areas of Greatest Need

**Describe how the areas of greatest need were established.**

Response:

The State of West Virginia has identified the areas of greatest need mainly through the use of data from the HUD Foreclosure Need Website combined with the availability of suitable foreclosed, abandoned, or vacant multi-family properties and commercial properties that can be converted to multi-family rental properties. In particular, the HUD NSP3 Mapping Tool (which identifies an area's Foreclosure Related Needs Score by considering unemployment rates, fall in home values, vacant addresses as reported by the U.S. Postal Service, rates of foreclosures, delinquencies, and subprime loans within a census tract) was used to determine areas that exceed the State's minimum threshold score of 7 as identified by HUD. The entire State was taken into consideration, which, therefore, includes all entitlement communities in the State. The use of targeted areas with a Foreclosure Related Needs Score in excess of the State's minimum threshold ensures that only areas which fall in the top 20% of areas most affected by the foreclosure crisis in West Virginia will be considered.

According to the annual report Out of Reach 2010 published by the National Low Income Housing Coalition, the demand for rental housing continues to increase as more and more people are either forced out of ownership due to foreclosure or choose to rent rather than own in light of the tightening credit markets and now-obvious risks involved with home ownership. Approximately 50% of low-income American households are renters who often have lower incomes than owners and pay a larger

proportion of their income on housing costs and utilities. This makes them more vulnerable to a weak job market than traditional homeowners. As a result of the increased number of unemployed and number of households that have been foreclosed upon, a larger number of households will be searching for a decent, affordable place to rent.

Census data shows a significant number of renters experience severe housing cost burdens, with housing costs consuming more than 50% of their family income. Federal standards indicate that affordable housing should consume no more than 30% of family income. Data from the Consumer Expenditure Survey (produced by the U. S. Department of Labor, Bureau of Labor Statistics) indicates that families that pay more than half of their income for housing are more likely than others to live in housing with serious physical condition problems. Such problems may include lack of functional plumbing, inadequate heating, or exposed electrical wiring.

The first step in the planning process was to analyze how the NSP1 target areas compared with the NSP3 Need Scores and the State's current foreclosure data. Due to the limited amount of funding, \$5,000,000 that the State anticipates receiving, continuation of development in a NSP1 project area would result in a more significant impact to a neighborhood. The statewide rate of foreclosure remains low when compared to other states; however, concentrations of foreclosures are scattered throughout the State in mostly urban and surrounding rural areas with subprime mortgages, with the highest interest rates generally located in scattered remote parts of the State. Therefore, the State did not utilize a tiered approach. Subrecipients have identified the area in which their project is located and provided documentation that verifies it is within targeted thresholds (score between 7 – 15) that define an area of greatest need. Subrecipients have used the HUD user mapping software found at [www.hud.gov/nsp](http://www.hud.gov/nsp). Assistance from this office was provided upon request.

All NSP3 funds will serve only low-, moderate-, and middle-income persons (LMMI) as defined in the NSP3 Notice, i.e., < 120% of area median income with at least 25% of funds being used for housing individuals and families whose incomes do not exceed 50% of area median income. The proposed method of distribution will allow maximum impact as required under NSP3 and satisfy the State's goal of administering the NSP3 to provide for, to the extent feasible in a state with both very rural and urban areas, neighborhoods affected by the foreclosure crisis, which will help stabilize and strengthen the local community. In order for the State to fully use the NSP3 funds within the mandated timeframes (expenditure deadline requires that 50% of total allocation be spent by 2 year anniversary and 100% total allocation by 3 year anniversary), selected subrecipients have demonstrated their proficiency and ability to quickly deliver programs such as the NSP and/or CDBG.

Due to the time constraints of the NSP, priority emphasis has been established. The projects selected have been determined to be eligible and to meet a national objective acceptable for the NSP3. To the extent applicable, criteria considered during the funding consideration included, but was not limited to: (1) the capacity of the applicant to successfully administer and operate the NSP grant, (2) the degree to which the project would meet the 25% set aside requirement, (3) the availability of the other sources of funding for the project, (4) the readiness of the project to proceed, (5) the degree to which the project would make a difference in the community, and (6) the level to which the project would correct identified deficiencies or achieve compliance with required standards. Subrecipients will use the funds awarded to stabilize neighborhoods whose viability has been and continues to be damaged by the economic effects of abandoned and/or foreclosed properties.

West Virginia selected two (2) potential projects for funding. These projects will augment neighborhood stabilization programs with other federal, public, and private resources to eliminate destabilizing influences such as blighted homes and vacant properties.

### 3. Definitions and Descriptions

#### Definitions

Term	Definition
Blighted Structure	As defined in the WV State Code: "Blighted property" means a tract or parcel of land that, by reason of abandonment, dilapidation, age of obsolescence, inadequate provisions for ventilation, light, air, or sanitation, high density of population and overcrowding, deterioration of site or other improvements, or the existence of conditions that endanger life or property by fire or other causes, or any combination of such factors, is detrimental to the public health, safety, or welfare.
Affordable Rents	<p>West Virginia has two tiers of rents.</p> <ul style="list-style-type: none"> <li>• Set Aside Units for families with incomes below 50% Area Median Income (AMI) – The maximum rent set for these units can be no higher than the published Low HOME rents less the appropriate Utility Allowance. The Utility Allowance is determined for each community by the local Public Housing Authority.</li> <li>• Units for families between 51% to 120% of AMI – The maximum rent set for these units can be no higher than 30% of 100% of AMI adjusted for family size and the appropriate Utility Allowance. Rents must be calculated as follows: <ol style="list-style-type: none"> <li>1. To determine 100% of AMI, go to the HUD website for the latest income limits. <a href="http://www.huduser.org/portal/datasets/il/il10/index.html">http://www.huduser.org/portal/datasets/il/il10/index.html</a>.</li> <li>2. On this chart, Very Low Income is 50% of AMI, so double this number to determine 100% AMI for each bedroom size. For 1-BR units, use the 2 person income limit; for 2-BR units, use the 4 person income limit; for 3-BR units, use the 6 person income limit; for 4 BR, use the 8 person income limit.</li> <li>3. Multiply each income limit by .3 (30%).</li> <li>4. Divide by 12.</li> <li>5. Subtract the appropriate Utility Allowance. That number is the monthly maximum allowable rent per bedroom size. The Utility Allowance is determined for each community by the local Public Housing Authority.</li> <li>6. The subrecipient should set the rent at an amount less than the maximum allowed, and it should be reasonable given comparable units in the local market. Also, the rents should not be so high as to unduly enrich the subrecipient.</li> </ol> </li> <li>• If a project receives federal or state project-based subsidies and the tenant pays no more than 30 percent of his or her rent, the maximum rent may be the rent allowable under the project based subsidy program.</li> </ul>

## Descriptions

Term	Definition												
Long-Term Affordability	<p>Subrecipients must ensure continued affordability for NSP-assisted housing by the use of WVDO-approved enforceable recorded liens, written agreements, and contracts that ensure that, to the maximum extent practical and longest feasible term, property assisted with NSP funds will remain affordable to individuals or families whose incomes do not exceed 120% AMI or, for units originally assisted with funds that meet the 25% setaside, will remain affordable to individuals and families whose incomes do not exceed 50% AMI.</p> <p>The minimum affordability requirements for NSP are:</p> <table> <tr> <td>Rental Projects</td><td></td></tr> <tr> <td>NSP Subsidy per Unit</td><td>Affordability Period</td></tr> <tr> <td>Less than \$15,000</td><td>5 years</td></tr> <tr> <td>\$15,000 - \$40,000</td><td>10 years</td></tr> <tr> <td>More than \$40,000</td><td>15 years</td></tr> <tr> <td>Acquisition or Building of New Construction Unit</td><td>20 years</td></tr> </table> <p>These are minimum requirements. The subrecipient may propose to implement more stringent affordability requirements than the minimum listed above to ensure that the properties remain affordable for as long as possible.</p> <p>Rental property owners/managers will be required to document that the units are occupied by income-qualified households during the period of affordability, both upon initial occupancy of the units and each time they are vacated and re-occupied.</p>	Rental Projects		NSP Subsidy per Unit	Affordability Period	Less than \$15,000	5 years	\$15,000 - \$40,000	10 years	More than \$40,000	15 years	Acquisition or Building of New Construction Unit	20 years
Rental Projects													
NSP Subsidy per Unit	Affordability Period												
Less than \$15,000	5 years												
\$15,000 - \$40,000	10 years												
More than \$40,000	15 years												
Acquisition or Building of New Construction Unit	20 years												
Housing Rehabilitation Standards	<p>Rehabilitation of a residential property shall meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion. Standards set forth in the State Building Code (WV Code 87-4-1) will be utilized as the minimum requirements and standards for residential structures and all existing premises, including equipment and facilities for light, ventilation, space, heating, sanitation, protection from the elements, safety from fire, and other hazards, and for safe and sanitary maintenance.</p> <p>-All gut rehabilitation or new construction (i.e., general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns, or load bearing interior or exterior walls) of a residential building up to 3 stories must be designed to meet the standard for Energy Star Qualified New Homes.</p>												



	<p>-All gut rehabilitation or new construction of mid- or high-rise multi-family housing must be designed to meet American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Standard 90.1-2004, Appendix G plus 20 percent (which is the Energy Star standard for multi-family buildings piloted by the Environmental Protection Agency and the Department of Energy).</p> <p>-Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete products and appliances (such as windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units, refrigerators, clothes washers, and dishwashers) with Energy Star-46 labeled products.</p> <p>-Water efficient toilets, showers, and faucets, such as those with the WaterSense label, must be installed.</p> <p>-Where relevant, the housing should be improved to mitigate the impact of disasters (e.g., earthquake, hurricane, flooding, and fires).</p>
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#### 4. Low-Income Targeting

##### Low-Income Set-Aside Amount

Enter the low-income set-aside percentage in the first field. The field for total funds set aside will populate based on the percentage entered in the first field and the total NSP3 grant.

**Identify the estimated amount of funds appropriated or otherwise made available under the NSP3 to be used to provide housing for individuals or families whose incomes do not exceed 50 percent of area median income.**

Response:

Total low-income set-aside percentage (must be no less than 25 percent): 25.00%

Total funds set aside for low-income individuals = \$1,250,000.00

##### Meeting Low-Income Target

**Provide a summary that describes the manner in which the low-income targeting goals will be met.**

Response:

The total NSP3 allocation for the State of West Virginia is expected to be \$5,000,000, and, of that, at least \$1,250,000 shall be used to target those whose income do not exceed 50% of the local AMI, meeting the setaside mandate. However, Activity #1, if fully funded as proposed, meets the guidelines required to qualify that entire amount towards the 25% setaside.

No less than \$1,250,000 of the total grant, or 25% of the total grant, will be set aside for this purpose.

## 5. Acquisition and Relocation

### Demolition or Conversion of LMI Units

Does the grantee intend to demolish or convert any low- and moderate-income dwelling units (i.e., $\leq 80\%$ of area median income)?	No
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If yes, fill in the table below.

Question	Number of Units
The number of low- and moderate-income dwelling units—i.e., $\leq 80\%$ of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.	0
The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., $\leq 120\%$ of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).	0
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	0

## 6. Public Comment

### Citizen Participation Plan

<b>Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment or abbreviated plan.</b>
<p>Response:</p> <p>The State of West Virginia published an announcement regarding the appropriation of NSP3 funds and proposed activities included in a draft of the Substantial Amendment in 6 newspapers of general circulation across the State. A copy of the Draft Substantial Amendment was made available to the public, allowing a 15-day comment period, on the West Virginia Development Office's website located at: <a href="http://www.wvcommerce.org/people/communityresources/applicationsanddownloads/default.aspx">http://www.wvcommerce.org/people/communityresources/applicationsanddownloads/default.aspx</a>.</p> <p>Notification was also provided to West Virginia's 11 Regional Planning and Development Councils. Written comments were invited and contact information provided. No written comments were received.</p> <p>The following is a summary of direct calls received during the 15-day comment period, February 7 through February 21, 2011:</p> <ol style="list-style-type: none"><li>1. F. Alfred Senes, Jr. (private citizen) Mr. Senes requested a brief description of the NSP, which was provided.</li><li>2. Ms. Helen Edick (private citizen) Ms. Edick inquired if the program could be used to fund after-school programs; she was told that NSP3 funds could not be used for such a project.</li></ol>

3. Phil Rhein (Greater Wheeling Coalition for the Homeless)  
Mr. Rhein requested a description of the NSP3, which was provided.

4. Ms. Donna Sargent (private citizen)  
Ms. Sargent requested a description of the NSP3, which was provided. She indicated that she receives SSI and was hoping that it was something for which she could apply.

#### Summary of Public Comments Received.

The summary of public comments received is included as an attachment.

### 7. NSP Information by Activity

Enter each activity name and fill in the corresponding information. If you have fewer than seven activities, please delete any extra activity fields. (For example, if you have three activities, you should delete the tables labeled "Activity Number 4," "Activity Number 5," "Activity Number 6," and "Activity Number 7." If you are unsure how to delete a table, see the instructions above.

The field labeled "Total Budget for Activity" will populate based on the figures entered in the fields above it.

Consult the NSP3 Program Design Guidebook for guidance on completing the "Performance Measures" component of the activity tables below.

Activity Number 1											
Activity Name	Acquisition and Rehabilitation										
Uses	Select all that apply: <table border="1"><tr><td><input type="checkbox"/></td><td>Eligible Use A: Financing Mechanisms</td></tr><tr><td><input type="checkbox"/></td><td>Eligible Use B: Acquisition and Rehabilitation</td></tr><tr><td><input type="checkbox"/></td><td>Eligible Use C: Land Banking</td></tr><tr><td><input type="checkbox"/></td><td>Eligible Use D: Demolition</td></tr><tr><td><input checked="" type="checkbox"/></td><td>Eligible Use E: Redevelopment</td></tr></table>	<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
<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										
CDBG Activity or Activities	24 CFR 570.202 - Eligible rehabilitation and preservation activities for homes and other residential properties										
National Objective	Low-Income Housing to Meet 25% Set-Aside (LH25)										
Activity Description	<p>This activity will involve the redevelopment of an obsolete, vacant residential multi-family rental property within the blocks comprising the target neighborhood noted under "Location Description." The proposed project will create 16 units for rent by families whose incomes do not exceed 50% of AMI. Most, if not all, of these families will be recipients of Section 8 vouchers. The target area selected for funding will give priority emphasis and consideration to a community in which the NSP3 investment will:</p> <p>(1) Prevent further decline of property values in the surrounding area and become the catalyst of neighborhood stabilization and revitalization;</p>										



- (2) Decrease the number of dilapidated and/or vacant housing units;
- (3) Attract new residents to the target area; (4) Enhance the affordability of rental housing that will remain desirable for the longest period of time;
- (5) Increase the availability of energy-efficient rental housing; and
- (6) Optimize economic activity, to the greatest extent possible, and the number of jobs created or retained that will provide other long-term economic benefits.

In order to expedite the effective use of NSP3 funds, the State of West Virginia will award funds to an experienced subrecipient with a proven track record in comprehensive development and management services of multi-family residential rental properties, based upon the subrecipient's successful implementation of a similar project with NSP1 funds. They have demonstrated their capacity to identify, acquire, and rehabilitate an eligible property within the area of greatest need in accordance with regulations specified in the NSP3 Notice and the State of West Virginia Substantial Amendment within the statutory expenditure timelines.

The subrecipient will be required to propose a plan to correct any lead-based paint and/or environmental hazards, correct code violations, correct mechanical and physical deficiencies, and provide property upgrades and improvements, including Energy Star and green building standards, to increase the property value and marketability. The State will require the subrecipient to leverage NSP3 funds with other available resources that are mutually supportive of neighborhood revitalization. The subrecipient has started the process of securing other funding necessary to complete this project. Once approved, this project is expected to move rapidly to the redevelopment phase.

Relocation: NSP3-assisted property acquisitions shall be in compliance with the requirements set forth under the Tenant Protection Act of 2009 regarding the proper treatment of bona fide tenants and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). However, no persons are anticipated to be relocated as a result of this project as the identified residential unit is vacant.

Period of Affordability: The duration of the period of affordability for rehabilitation of the multi-family residential rental activity shall be determined by a proration of NSP3 to private funds invested in the property per unit.

#### Rental Projects

NSP Subsidy per Unit

Affordability Period

Less than \$15,000

5 years

\$15,000 - \$40,000

10 years

More than \$40,000

15 years

Acquisition or Building of New Construction Unit

20 years

	<p>The period of affordability for rental housing will be enforced by a deed restriction and is not related to the term of any loan or mortgage, or any transfer of ownership except that affordability requirements terminate upon foreclosure or transfer in lieu of foreclosure. For purposes of the grant agreement, the Land Use Restriction Agreement shall be one and the same as the Deed Restriction.</p> <p>Duration or Term of Assistance: The duration of the assistance will be regulated by HOME Program affordability requirements outlined in 24 CFR 92.252, as updated annually.</p> <p>Tenure of Beneficiaries: NSP3 funds expended in this activity will be used for rental by beneficiaries whose income does not exceed 50% area median income.</p> <p>Vicinity Hiring: The subrecipient will, to the maximum extent feasible, meet a target of 30% of new hires that reside in the vicinity of the NSP3 funded project or contract with businesses that are owned and operated by persons residing in the vicinity of the NSP3 project. For purposes of NSP3, HUD defines "vicinity" as each neighborhood identified by the State of West Virginia as being within the areas of greatest need.</p> <p>Section 3 of the HUD Act of 1968: The subrecipient will develop a plan to provide job training, employment, and contract opportunities for low- or very-low-income residents in connection with the NSP3 project in their neighborhood.</p>	
<b>Location Description</b>	Charleston, Kanawha County, West Virginia Blocks comprising target neighborhood: 540390001001023, 540390001001030, 540390001001031, 540390001001032, and 540390001001033	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$\$3,000,000.00
	(Other funding sources)	\$\$1,000,000.00
	(Other funding source)	\$
<b>Total Budget for Activity</b>		<b>\$4,000,000.00</b>
<b>Performance Measures</b>	Approximately 16 households whose incomes are at or below the 50% AMI will benefit from NSP3 funds, enhancing the stabilization of the community.	
<b>Projected Start Date</b>	The project will start on the date HUD executes the NSP3 Grant agreement with the State of West Virginia..	
<b>Projected End Date</b>	The project will end within 3 years of the date funds become available to the State of West Virginia, as defined in the NSP3 Notice.	
<b>Responsible Organization</b>	<b>Name</b>	Charleston-Kanawha Housing Authority
	<b>Location</b>	Charleston, West Virginia

	<b>Administrator Contact Info</b>	Mark Taylor, Executive Director mtaylor@charlestonhousing.com (304) 348-6451
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Activity Number 2	
<b>Activity Name</b>	Demolition
<b>Use</b>	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 type="checkbox"/> Eligible Use E: Redevelopment
<b>CDBG Activity or Activities</b>	24 CFR 570.201(d) - Demolish blighted structures
<b>National Objective</b>	Low Moderate Middle Income Area Benefit (LMMA)
<b>Activity Description</b>	<p>The City of Mount Hope was built on a land grant by the Commonwealth of Virginia to William Austin and South Austin in 1786. The Town was incorporated in 1895 and reincorporated as a City on April 25, 1921. It is a very old city that has been deteriorating as a result of the decline of the area's vast coal industry. Most of the coal mines, coal camps, and other physical evidence of the era has disappeared throughout the region. The city's downtown section remains virtually the same as it did during the 1920's in the decade when the city was one of the most important and largest of the region. Although the dozens of coal mining operations have disappeared from the hills surrounding the city, along the streets of Mount Hope visitors can still view many examples of the grand structures built by the coal barons and coal companies. The office of the region's largest coal company, the New River Company, still exists, as well as the company's repair shops and foundry building. Just outside the city limits, two large smokestacks loom over the former repair shop used by the McKell Coal &amp; Coke Company, also used by the company's railroad, the Kanawha, Glen Jean &amp; Eastern Railway. These sites are just a few of the many historic sites located in and near the city. While the city is falling into blight and riddled with dilapidated structures, it has a rich historic background.</p> <p>West Virginia was successful in landing the Boy Scouts of America's (BSA) "The Summit Bechtel Family National Scout Reserve in West Virginia." This is creating a wonderful opportunity for Mount Hope, as the City has been designated as a "Gateway Community" for the Summit. The community, located in a census tract that shows 54.6% low- to moderate-income persons, has embraced this opportunity by conducting a needs assessment and developing a Comprehensive Plan for clear direction of the obstacles they need to tackle. As a result, they have identified 35 residential properties throughout the city that meet the definition of "Blighted property" as defined in the West Virginia State Code. These properties pose a detrimental threat to the public health, safety, and/or welfare of the community due to their</p>

existing conditions. These funds will demolish those properties and relieve the community of a "slums and blighted" condition. All properties are located within the target area identified on the HUD Mapping Tool, meeting the National Objective of a benefit to low- and moderate-middle-income (LMMI) persons. This demolition will make a significant impact toward stabilizing and beautifying the community in preparation for the status of "Gateway Community."

The Summit is scheduled to open in 2013 and will complement the three world-class BSA national high-adventure bases in New Mexico, Minnesota, and Florida. The site will permanently host the BSA's iconic National Scout Jamboree beginning in 2013 and the 2019 World Scout Jamboree. This will be the first time the World Scout Jamboree has been held in the United States in more than 40 years. The Summit will be bringing a minimum of 100 jobs to the community.

The City is currently preparing an application for a grant to create a municipally operated shingle and waste lumber recycling pilot program. The project proposes a mobile grinding unit, capable of doing large volume grinding that could be moved to existing landfills and set up quickly to grind both shingle and wood. The created product will be sold locally to one of the 37 Regional Hot Asphalt Plants and/or one of the local pavers. The ground wood can be sold for bio-fuel mass to power companies. For those units that would lend themselves to deconstruction activities, the City will utilize other funds to go in and salvage the reusable material. The NSP3 dollars will only be utilized for demolition activities.

The City is planning to procure the services of the Region IV Planning and Development Council to administer this project on their behalf. Region IV has extensive experience with the Small Cities Block Grant Program and has administered multiple demolition projects through that funding source.

The City has experience with demolition projects funded through FEMA for demolition of structures located in the floodplain. It has been determined that the combined experience of these two entities will ensure their capacity to successfully implement this project and reach a timely completion as required in the NSP3 regulations.

The budget reflected exceeds the 10% allowable under the NSP3 guidelines. The State has submitted a request for a waiver to exceed the cap by an additional 20%, bringing the total demolition activity to 30% of the State's overall NSP3 allocation.

Vicinity Hiring: The subrecipient will, to the maximum extent feasible, meet a target of 30% of new hires that reside in the vicinity of the NSP3 funded project or contract with businesses that are owned and operated by persons residing in the vicinity of the NSP3 project. For purposes of NSP3, HUD defines "vicinity" as each neighborhood identified by the State of West



	Virginia as being within the areas of greatest need.  Section 3 of the HUD Act of 1968: The subrecipient will develop a plan to provide job training, employment, and contract opportunities for low- or very-low-income residents in connection with the NSP3 project in their neighborhood.	
<b>Location Description</b>	Mount Hope, Fayette County, West Virginia Block comprising target neighborhood: 5401992472564040205	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$\$1,500,000.00
	(Other funding source)	\$
	(Other funding source)	\$
<b>Total Budget for Activity</b>	\$1,500,000.00	
<b>Performance Measures</b>	Demolish approximately 35 residential structures.	
<b>Projected Start Date</b>	The project will start on the date HUD executes the NSP3 Grant agreement with the State of West Virginia.	
<b>Projected End Date</b>	he project will end within 3 years of the date funds become available to the State of West Virginia, as defined in the NSP3 Notice.	
<b>Responsible Organization</b>	<b>Name</b>	City Of Mount Hope
	<b>Location</b>	Mount Hope, West Virginia
	<b>Administrator Contact Info</b>	Mayor Michael Martin (304) 877-2211

Activity Number 3	
<b>Activity Name</b>	Planning and General Administration
<b>Use</b>	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 type="checkbox"/> Eligible Use E: Redevelopment
<b>CDBG Activity or Activities</b>	24 CFR 570.206 (a),(b),(c),(e),(f),(g) - Payment of reasonable administrative costs and carrying charges related to the planning and execution of West Virginia's NSP3 program (not including costs eligible under 24 CFR 570.201 through 24 CFR 570.204, which are eligible as activity costs).
<b>National Objective</b>	Low Moderate Middle Income Housing (LMMH)
<b>Activity Description</b>	The State of West Virginia, WV Development Office, will use up to 10 percent of the NSP3 funds for the planning and administraton of program activities.



	<p>Administrative costs will include staffing for overall program management, reporting, and other direct and indirect charges.</p> <p>In accordance with OMB Circular A-87, Attachment B, paragraph 31, HUD is allowing grantees to incur pre-award costs. Therefore, the State may, at its discretion, allow designated subrecipients to incur pre-award costs with HUD approval. This will be determined prior to the award being made.</p>	
<b>Location Description</b>	West Virginia Development Office Building 6 Room 553 Capitol Complex Charleston, WV 25305	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$\$500,000.00
	(Other funding source)	\$\$0.00
	(Other funding source)	\$\$0.00
<b>Total Budget for Activity</b>		\$500,000.00
<b>Performance Measures</b>	N/A - Administrative Costs Only	
<b>Projected Start Date</b>	The project will start on the date HUD executes the NSP3 Grant agreement with the State of West Virginia..	
<b>Projected End Date</b>	The project will end within 3 years of the date funds become available to the State of West Virginia, as defined in the NSP3 Notice.	
<b>Responsible Organization</b>	<b>Name</b>	West Virginia Development Office
	<b>Location</b>	Building 6 Room 553 Capitol Complex Charleston, WV 25305
	<b>Administrator Contact Info</b>	Jeanna Bailes Manager, Project Development 304-558-2234; Jeanna.G.Bailes@wv.gov