SHELBY COUNTY BOARD OF COMMISSIONERS
AGENDA ROUTE SHEET

CA097400

Referred to Commission Committee _____

For Commission Action on _____

DESCRIPTION OF ITEM:
RESOLUTION AMENDING THE SHELBY COUNTY BUDGET FOR FY 09 BY ESTABLISHING OPERATING FUND NUMBER 357 TO ACCOUNT FOR A NEW NEIGHBORHOOD STABILIZATION (NSP) GRANT FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT IN THE AMOUNT OF $2,752,708.00 FOR THE PURCHASE OF VACANT FORECLOSED PROPERTIES AND THE SUBSEQUENT REHABILITATION AND USE OF PURCHASED PROPERTIES AS AFFORDABLE HOUSING FOR LOW-MODERATE-AND MIDDLE-INCOME INDIVIDUALS AND HOUSEHOLDS.

SPONSORED BY COMMISSIONER STEVE MULROY.

CHECK ALL THAT APPLY BELOW:

_____ This Action does NOT require expenditure of funds.

___X___ This Item requires/approves expenditure of funds as follows (complete all that apply):

County General Funds: $ _____ : County CIP Funds: $ _____

State Grant Funds: $ _____; State Gas Tax Funds: $ _____

Federal Grant Funds: $ 2,752,708.00

Other funds (Specify source and amount): $ _____

Other pass-thru funds (Specify source and amount): $ _____

Originating Department: Housing

APPROVAL:

	(Type your name & phone #)	(Initials)	(Date)
Dept. Head:	JIM VAZQUEZ (901) 379-7102	JV	3-18-09
Elected Official:			
Division Director:	Maura Black Sullivan (901)576 7199	MBS	3-18-09
CIP – A&F Director:			
Finance Dept.	Wanda Richards	MAR / WR	3/19/09 / 3-19-09
County Attorney:	Mary L. Bright X49623	mlb	3-18-09
CAO/Mayor:			3/18/09

SUMMARY SHEET

I. Description of Item

Resolution amending the Shelby County budget for FY 09 by establishing operating Fund Number 357 to account for a new Neighborhood Stabilization Program (NSP) grant from the U.S. Department of Housing And Urban Development in the amount of $2,752,708.00. These funds will be utilized for the purchase of vacant foreclosed properties, and the subsequent rehabilitation and use of purchased properties as affordable housing for Low-Moderate-And Middle-Income (LMMI) households.

The Mayor of Shelby County received and executed the contract accepting the NSP grant agreement with HUD on March 6, 2009. This acceptance of funds begins the 18 month period during which all funds must be obligated to specific activities as required by HERA. The grant contract period for use of NSP funds is from March 6, 2009 through March 5, 2013.

II. Source and Amount of Funding

Federal Grant through the U.S. Department of Housing and Urban Development in the amount of $2,752,708.00. (See Attached Page)

III. Contract Items

N/A

IV. Additional Relevant Information

Exhibits "A and "B"
HUD Funding Approval and Grant Agreement

II. Source and Amount of Funding

U.S. Department of Housing and Urban Development Neighborhood Stabilization Grant		$2,752,708.00

Matching Contributions:

From County General Fund	$	0.00
From Other Federal or Federal Through State Grants Received By the County		0.00
Subtotal: Match Contributed by County	$	0.00

Total Matching Contributions	$ 0.00
Total Funding Over Grant Term (48 months)	$2,752,708.00

Amount Expended/Budget Line Item

For Fiscal Year 08-09 Appropriations, totaling $2,214,851, see Resolution Exhibit A

Total Expenditures for Term of Grant:

Salaries	$ 336,672.00
Fringe Benefits	$ 94,269.00
Local Mileage	$ 10,000.00
Travel	$ 14,000.00
Supplies	$ 20,623.00

Contractual:

Acquisition	$1,136,577.00	
Rehabilitation	$ 866,055.00	
Demolition	$ 17,500.00	
Counseling	$ 44,400.00	
Program Delivery	$ 212,612.00	
Total:		$2,277,144.00
Total		$2,752,708.00

All Costs (Direct/Indirect)

[Direct costs stated above; no material indirect costs.]

Additional or subsequent Obligations or Expenses of Shelby County

[No other additional or subsequent obligations or expenses.]

Item #_____ Prepared by: Jim Vazquez

Commissioner:_____ Approved by:_____

RESOLUTION AMENDING THE SHELBY COUNTY BUDGET FOR FY 09 BY ESTABLISHING OPERATING FUND NUMBER 357 TO ACCOUNT FOR A NEW NEIGHBORHOOD STABILIZATION (NSP) GRANT FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT IN THE AMOUNT OF $2,752,708.00 FOR THE PURCHASE OF VACANT FORECLOSED PROPERTIES AND THE SUBSEQUENT REHABILITATION AND USE OF PURCHASED PROPERTIES AS AFFORDABLE HOUSING FOR LOW-MODERATE-AND MIDDLE-INCOME (LMMI) INDIVIDUALS AND HOUSEHOLDS.

SPONSORED BY: COMMISSIONER STEVE MULROY

WHEREAS, The Shelby County Department of Housing has been awarded a Neighborhood Stabilization Program Grant for the U.S. Department of Housing and Urban Development (HUD) through Housing and Economic Recovery Act of 2008 (HERA); and

WHEREAS, Shelby County was notified on January 30, 2009 that HUD had approved the Shelby County NSP plan as submitted to HUD for review in compliance with the December 1, 2008 deadline for submission of Shelby County's NSP request; and

WHEREAS, The January 30, 2009 award letter from HUD informed Shelby County that $2,752,708.00 in NSP funds would be awarded to Shelby County for use in purchasing vacant foreclosed properties, rehabilitating acquired properties, and making the properties available to Low-Moderate and Middle Income (LMMI) homebuyers upon acceptance of a contract between HUD and Shelby County; and

WHEREAS, On March 6, 2009 the Shelby County Mayor accepted the NSP Funds from HUD for the use as prescribed by HERA and set forth in the NSP action plan submitted to HUD by Shelby County in compliance with the December 1, 2008 deadline; and

WHEREAS, Shelby County, through the Department of Housing , will work with local non-profit Community Based Development Organizations (CBDOs) and Community Housing Development Organizations (CHDOs), meeting the designation under federal guidelines to expend these funds within the targeted area as designated by the NSP action plan; and

WHEREAS, Shelby County, through the Department of Housing, will work through Request for Proposals and/or Request for Quotations (RFPs and/or RFQs) with other professionals in the housing and real estate industry to secure professional services such as appraisals, real estate services and sales of affordable housing units to LMMI individuals and households; and

WHEREAS, HERA specifically requires the use of funds to be targeted to the provision of affordable housing to LMMI individuals and households in compliance with HERA program requirements and federal regulations associated with various HUD grant programs including, but not limited to, the Community Development Block Grant (CDBG), HOME, and the Uniform Relocation Act (URA); and

WHEREAS, All funds to purchase, rehabilitate, and make NSP units available to LMMI individuals and households must comply with the aforementioned federal regulations, including Fair Housing requirements, and mortgage underwriting and lending criteria as set forth by FHA, THDA, VA and other non-subprime mortgage lenders; and

WHEREAS, in compliance with fiscal requirements set forth by HUD through HERA, all NSP funds must be fully obligated to specific activities with 18 months from the acceptance of the NSP funds by Shelby County or be returned to the federal government; and

WHEREAS, It is necessary to amend the Fiscal Year 2009 Operating Budget for the Shelby County Department of Housing to account for newly awarded NSP grant funds; and

WHEREAS, These new funds have been established as number 357 by the Shelby County Department of Finance and will be used to account for expenditures by Shelby County and during the forty-eight month contract period with the U.S. Department of HUD; and

WHEREAS, Said funds are further divided into the accounts necessary and appropriate to operate the Shelby County Neighborhood Stabilization Program as indicated in Exhibit A which is herein incorporated by reference.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That the Shelby County Department of Housing Fiscal Year 2009 Operating Budget is hereby amended and funds appropriated as outlined in Exhibit A for the Shelby County Neighborhood Stabilization Program.

BE IT FURTHER RESOLVED, That the Position Control Budget is hereby amended as outlined in Exhibit B which is herein incorporated by reference.

BE IT FURTHER RESOLVED, That the Mayor of Shelby County is hereby authorized to execute any and all documents and contracts requested and required by the U.S. Department of HUD required to implement the Neighborhood Stabilization Program for the duration of the NSP grant contract.

BE IT FURTHER RESOLVED, That the Mayor of Shelby County is hereby authorized to execute any and all documents and contracts with non-profit CBDOs and CHDOs, necessary service providers, and LMMI individuals and/or households purchasing NSP housing units as a primary residents in compliance with NSP and mortgage underwriting guidelines.

BE IT FURTHER RESOLVED, That the Mayor of Shelby County and the Director of Administration and Finance are hereby authorized to issue their warrant or warrants to the extent of appropriations made in this resolution, and to take proper credit in their accounting therefore.

_____
A C Wharton, Jr.
County Mayor

Date:_____

ATTEST:

_____
Clerk of County Commission

Adopted:_____

EXHIBIT A

DIVISION OF PLANNING & DEVELOPMENT
NEIGHBORHOOD REVITALIZTION PROGRAM
APRIL 1, 2009 - JUNE 30, 2009
BUDGET NO. 357-271003

ACCT. NO.	ACCOUNT NAME	CURRENT BUDGET	DIFFERENCE	FY08-09 BUDGET
4401	FEDERAL GRANTS	-	(2,214,851)	(2,214,851)
	TOTAL FEDERAL REVENU	-	(2,214,851)	(2,214,851)
5102	SALARIES & LABOR	-	21,042	21,042
	TOTAL SALARIES & OVER	-	21,042	21,042
5510	RETIREMENT SYSTEM CC	-	1,473	1,473
5511	OPEB RETIREE INSURAN	-	1,420	1,420
5516	MEDICARE COVERAGE (M	-	305	305
5520	GROUP LIFE INSURANCE	-	143	143
5543	CIGNA INSURANCE	-	4,082	4,082
5560	LONG TERM DISABILITY	-	337	337
5591	OJI EXPENSE	-	326	326
5592	UNEMPLOYMENT COMP	-	69	69
	TOTAL FRINGES	-	8,155	8,155
6012	Copy Machine Supplies	-	-	-
6026	EXPENDABLE FURNITURE	-	7,623	7,623
6042	MATERIALS & SUPPLIES	-	-	-
6052	OFFICE SUPPLIES	-	8,000	8,000
6054	PAPER PRODUCTS	-	2,000	2,000
6068	POSTAGE	-	3,000	3,000
	TOTAL SUPPLIES	-	20,623	20,623
6401	ADMINISTRATIVE EXPENS	-	2,000	2,000
6404	ADVERTISING	-	5,000	5,000
6419	EDUCATION & TRAINING I	-	3,000	3,000
6434	HOUSING ASSISTANCE	-	44,400	44,400
6443	LAB SERVICES	-	25,000	25,000
6446	LOCAL TRANSPORTATION	-	10,000	10,000
6467	TRAVEL	-	14,000	14,000
	TOTAL SERVICES	-	103,400	103,400
6637	OUTSIDE CONTRACTS	-	1,154,077	1,154,077
6646	APPRAISALS	-	37,500	37,500
6668	WEATHERIZATION & REH	-	866,054	866,054
	TOTAL PROF. & CONTRAC	-	2,057,631	2,057,631
6786	MAINTENANCE VEHICLES	-	4,000	4,000
			-	-
	TOTAL RENT, UTILITIES &	-	4,000	4,000
7001	OFFICE FURNITURE & EQ	-	-	
7007	UTILITY VEHICLES	-	-	
	TOTAL ASSET ACQUISITI	-	-	-
	TOTAL EXPENDITURES	-	2,214,851	2,214,851
	NET COST	-	-	-

EXHIBIT B

NEIGHBORHOOD STABILIZATION PROGRAM
APRIL 1, 2009 - JUNE 30, 2009
BUDGET No. 357-271003
COST CENTER TBA

POSITION NO.	TYPE CODE	JOB TITLE	STATUS	ANNUAL SALARY	CURRENT	SATION DIFF	PROPOSED
New	222	NSP Coordinator	F	45,048	-	11,262	11,262
New	222	NSP Inspector	F	39,120	-	9,780	9,780
						-	
		Total			-	21,042	21,042

PER PAY PERIOD - APRIL 2009 THRU JUNE 2009*

POSITION NO.	JOB TITLE	STATUS	COMPENSATION CURRENT	DIFFERENCE	PROPOSED
New	NSP Coordinator	F	-	1,877	1,877
New	NSP Inspector	F	-	1,630	1,630

* 3 Months (6 pay periods) included in resolution.

FUNDING APPROVAL AND GRANT AGREEMENT FOR NEIGHBORHOOD STABILIZATION PROGRAM (NSP) FUNDS AS AUTHORIZED AND APPROPRIATED UNDER THE HOUSING AND ECONOMIC RECOVERY ACT OF 2008 (PUBLIC LAW 110-289, JULY 30, 2008)

NSP GRANTEE: Shelby County, Tennessee

NSP GRANT NUMBER: B-08-UN-47-0001

NSP GRANT AMOUNT: $2,752,708

NSP APPROVAL DATE: March 6, 2009

This Grant Agreement between the **Department of Housing and Urban Development (HUD) and Shelby County, Tennessee** (Grantee) is made pursuant to the authority of sections 2301 – 2304 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289 (July 30, 2008)) (HERA). The program established pursuant to section 2301-2304 is known as the "Neighborhood Stabilization Program" or "NSP." The Notice of Allocations, Application Procedures, Regulatory Waivers Granted to and Alternative Requirements for Redevelopment of Abandoned and Foreclosed Homes Under the Housing and Economic Recovery Act, 2008 published at 73 FR 58330 (October 6, 2008) (Notice); HERA; the Grantee's submission for NSP assistance (Grantee Submission); the HUD regulations at 24 CFR Part 570 (as modified by the Notice and as now in effect and as may be amended from time to time) (Regulations); and this Funding Approval, including any special conditions, constitute part of the Grant Agreement.

Subject to the provisions of this Grant Agreement, HUD will make NSP Grant Funds in the amount of **$2,752,708** available to the Grantee upon execution of this Grant Agreement by the parties. The Grantee shall have 18 months from the date of HUD's execution of this Grant Agreement to obligate the NSP Grant Amount pursuant to the requirements of HERA and the Notice. The Grantee shall have 48 months from the date of HUD's execution of this Grant Agreement to expend the NSP Grant Amount pursuant to the requirements of the Notice. The NSP Grant Funds may be used to pay eligible costs arising from eligible uses incurred after the NSP Approval Date provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-award planning and general administrative costs may not be paid with funding assistance except as permitted in the Notice; the Notice limits such costs to those incurred on or after September 29, 2008. Other pre-award costs may not be paid with funding assistance except as permitted by 24 CFR 570.200(h); for purposes of NSP, such costs are limited to those incurred on or after the date that the NSP substantial amendment was received by HUD.

The Grantee agrees to assume all of the responsibilities for environmental review, decisionmaking, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I of the Housing and Community Development Act, as amended (42 U.S.C. 5304) and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Grant Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

This Grant Agreement may be amended only with the prior written approval of HUD. In considering proposed amendments to this Grant Agreement, HUD shall review, among other things, whether the amendment is otherwise consistent with HERA, the Notice, and the Regulations.

The Grantee may amend its Grantee Submission; however, such amendments, including substantial amendments as defined in 24 CFR Part 91, will be subject to the requirements of 24 CFR Part 91 (or any successor regulation) and any revisions HUD may make to the Notice (or any successor Notice or regulation).

The Grantee shall at all times maintain an up-to-date copy of its Grantee Submission, including all amendments approved by HUD, on its Internet website as required by the Notice. Further, the Grantee shall maintain information on all drawdowns, deposits, and expenditures of grant funds and program income under this Funding Approval and Grant Agreement and any other records required by 24 CFR 570.506, in its files and shall make such information available for audit or inspection by duly authorized representatives of HUD, HUD's Office of the Inspector General, or the Comptroller General of the United States.

The Grantee shall submit information on performance measurement as established by the Secretary for activities undertaken with NSP grant funds.

The Grantee is advised that providing false, fictitious or misleading information with respect to NSP Grant Funds may result in criminal, civil or administrative prosecution under 18 USC §1001, 18 USC §1343, 31 USC §3729, 31 USC §3801 or another applicable statute.

Close-out of this grant shall be subject to the provisions of 24 CFR 570.509 or such close-out instructions as may hereafter be issued by HUD specifically for NSP grants.

This NSP Grant Agreement is binding with respect to HUD in accordance with its terms upon the execution by HUD in the space provided above, subject to execution on behalf of the Grantee.

The United States Department of Housing and Urban Development	**The Grantee: Shelby County, Tennessee**
Mary C Wilson	
Signature of Authorized Official	Signature of Authorized Official
Mary C. Wilson	A C Wharton, Jr.
Name of Authorized Official	Name of Authorized Official
Director, Office of Commnity Planning and Development	Mayor of Shelby County
Title of Authorized Official	Title of Authorized Official
March 6, 2009	3-6-09
Date of Signature	Date of Signature
	62-6000841
	Grantee Tax Identification Number

APPROVED AS TO FORM AND LEGALITY

Contract Administration/
Assistant County Attorney