Georgia™
Department of Community Affairs

Neighborhood Stabilization Program:

Proposed Substantial Amendment for the State of Georgia (Revised)

February 2, 2009

NSP Action Plan Amendment: Table of Contents

Sonny Perdue
Governor

Georgia™
Department of
Community Affairs

Mike Beatty
Commissioner

December 1, 2008

Ms. Mary D. Presley
Director
Atlanta Office of Community Planning
and Development
Five Point Plaza
40 Marietta Street, NW, 15th Floor
Atlanta, Georgia 30303-2806

Dear Ms. ~~Presley~~: Mary

Enclosed please find the State of Georgia's NSP application requesting $77,085,125 in federal funds under the Housing and Economic Recovery Act of 2008 (HERA). The application includes all required material per HUD's guidance for submission of the application. The substantial amendment to our 2008 Action Plan was published on our web page on November 13, 2008 and a public hearing was held on November 18, 2008. Comments from citizens and interested parties are summarized in the NSP application.

Comments from citizens and interested parties were accepted through November 30, 2008, with the most recent comments received on November 29, 2008. Due to the timeframes allowed under HERA, our ability to digest and consider comments was limited. Since this is the case, DCA will be available to further discuss these comments with HUD during HUD's review of our application.

We look forward to working with HUD on this exciting program, and staff of both the Community Development and Finance Division and the Housing Finance Division will be available to answer any questions about our NSP application. We appreciate HUD's hard work in providing resources and guidance as we prepared our NSP application. Please contact me at (404) 679-1587 if I can be of assistance.

Sincerely,

Brian Williamson

Brian Williamson
Assistant Commissioner
Community Development and Finance
Division

BW/sr
Enclosures—As Stated

APPLICATION FOR FEDERAL ASSISTANCE

OMB Approved No. 3076-0006 — Version 7/03

2. DATE SUBMITTED: 12/1/2008	Applicant Identifier
3. DATE RECEIVED BY STATE: 12/1/2008	State Application Identifier
4. DATE RECEIVED BY FEDERAL AGENCY: 12/1/2008	Federal Identifier

1. TYPE OF SUBMISSION:

Application	Pre-application
☐ Construction	☐ Construction
☑ Non-Construction	☐ Non-Construction

5. APPLICANT INFORMATION

Legal Name: Georgia Department of Community Affairs	**Organizational Unit:**
	Department: Georgia Department of Community Affairs
Organizational DUNS: 80-7479084	Division: Community Development and Finance Division
Address:	**Name and telephone number of person to be contacted on matters involving this application (give area code)**
Street: 60 Executive Park South, NE	Prefix: Mr. / First Name: Brian
City: Atlanta	Middle Name
County: DeKalb	Last Name: Williamson
State: Georgia / Zip Code: 30329	Suffix:
Country: USA	Email: bwilliam@dca.state.ga.us
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 58-1259426	Phone Number (give area code): (404) 679-1587 / Fax Number (give area code): (404) 679-1583

8. TYPE OF APPLICATION: ☑ New ☐ Continuation ☐ Revision

If Revision, enter appropriate letter(s) in box(es)
(See back of form for description of letters.) ☐ ☐

Other (specify)

7. TYPE OF APPLICANT: (See back of form for Application Types)

State A

Other (specify)

9. NAME OF FEDERAL AGENCY:
Housing and Urban Development

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: 14-228

TITLE (Name of Program):
CDBG State Program

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:
Neighborhood Stabilization Program (State program)

12. AREAS AFFECTED BY PROJECT *(Cities, Counties, States, etc.)*:
State of Georgia

13. PROPOSED PROJECT

Start Date:	Ending Date:
03/01/2009	03/01/2013

14. CONGRESSIONAL DISTRICTS OF:

a. Applicant	b. Project
All Georgia Districts	All Georgia Districts

15. ESTIMATED FUNDING:

a. Federal	$ 77,085,125 .00
b. Applicant	$ .00
c. State	$ .00
d. Local	$ .00
e. Other	$ .00
f. Program Income	$ .00
g. TOTAL	$ 77,085,125 .00

16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?

a. Yes. ☐ THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON

DATE:

b. No. ☑ PROGRAM IS NOT COVERED BY E. O. 12372

☐ OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW

17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?

☐ Yes If "Yes" attach an explanation. ☑ No

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Authorized Representative

Prefix: Mr.	First Name: Mike	Middle Name
Last Name: Beatty		Suffix
b. Title: Commissioner		c. Telephone Number (give area code): (404) 679-0583
d. Signature of Authorized Representative: Mike Beatty		e. Date Signed: 12/1/08

<u>STATE OF GEORGIA CDBG PROGRAM</u>
<u>NSP SUBSTANTIAL AMENDMENT</u>

Jurisdiction(s): State of Georgia *(submitted by the Georgia Department of Community Affairs))* Jurisdiction Web Address: www.dca.state.ga.us/communities/CDBG/index.asp *(URL where NSP Substantial Amendment materials are posted)*	NSP Contact Persons: Brian Williamson Glenn Misner Steed Robinson Address: Georgia Dept of Community Affairs 60 Executive Park South, NE Atlanta, Georgia 30329 Telephone: 404.679.4940 (Dept) 404.679.1587 (Brian's Direct) 404.679.3138 (Glenn's Direct) 404.679.3168 (Steed's Direct) Fax:404.697.1583 Email:NSP.admin@dca.state.ga.us

STATEMENT OF PURPOSE

This proposed NSP Action Plan represents a substantial amendment to the Department's Consolidated Plan for FFY 2005 -2010. The Consolidated Plan, which has previously been approved by HUD, governs the Department's use of its federal community development and housing funds. This amendment outlines the expected distribution and use of $77,085,125 through the newly-authorized Neighborhood Stabilization Program (NSP), which the U.S. Department of Housing and Urban Development (HUD) is providing to the State. The NSP funds were authorized by the Housing and Economic Recovery Act of 2008 (HERA) as an adjunct to the Community Development Block Grant (CDBG) Program.

The Department of Community Affairs (herein after referred to as DCA or The Department) will implement NSP funds, and will work in cooperation with the Georgia Housing Finance Authority (GHFA) in order to expeditiously deliver and effectively administer these funds. GHFA provides access to a network of lending institutions and housing counseling agencies that will assist in fulfilling the requirements of NSP.

The purpose of the NSP funds is to address the negative ramifications of the housing foreclosure crisis that occurred over the past five years due to subprime mortgage lending which, nationally, resulted in significant numbers of homeowners entering into foreclosure and entire neighborhoods becoming vacant and abandoned. In 2007 Georgia ranked seventh in the nation in the percent of households facing foreclosure (1.566% of households)[1]. Additionally, Georgia ranks 9th in the nation for conventional loans made by sub-prime lenders and 8th in the percent of owner-occupied home purchase loans made to low-income borrowers[2]. For the first quarter of 2008 Georgia was among the 10 states with mortgage delinquency rates categorized as "Seriously Delinquent" with 4.04% - 5.34% of mortgages statewide in this category[3]. In the Southeast, Georgia's rate of 1.3 per 1000 housing units held by lenders and classified as "Real Estate Owned" (REO) is second only to Florida.[4] Typically these REO properties represent vacant

[1] Source: RealtyTrac
[2] Source: Dataplace.org – HMDA data
[3] Source: Mortgage Bankers Association National Delinquency Survey
[4] Source: FirstAmerican CoreLogic, LoanPerformance Data

homes that over months of vacancy can contribute to neighborhood decline, blight and diminished values for entire neighborhoods.

Georgia has significant needs and housing problems due to the subprime lending crisis. Further, the level of foreclosures resulting from these problematic mortgages has placed an increased burden on the economy and affected families. Housing agencies and programs are also strained as they seek to assist families and individuals caught in this national tragedy. DCA will use the NSP funds for the purposes intended – to promote neighborhood stabilization where subprime lending, foreclosure and housing vacancies and, in turn, abandoned and blighted properties have negatively affected the housing market. Accordingly, DCA will give priority to those applicants that can effectively target NSP resources to neighborhood stabilization projects that will address these problems in areas with the greatest needs. The State defined such geographic areas using the best data available to support its definition of greatest need areas.

A. AREAS OF GREATEST NEED

Provide summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction.

Note: An NSP substantial amendment must include the needs of the entire jurisdiction(s) covered by the program; states must include the needs of communities receiving their own NSP allocation. To include the needs of an entitlement community, the State may either incorporate an entitlement jurisdiction's consolidated plan and NSP needs by reference and hyperlink on the Internet, or state the needs for that jurisdiction in the State's own plan. The lead entity for a joint program may likewise incorporate the consolidated plan and needs of other participating entitlement jurisdictions' consolidated plans by reference and hyperlink or state the needs for each jurisdiction in the lead entity's own plan.

HUD has developed a foreclosure and abandonment risk score to assist grantees in targeting the areas of greatest need within their jurisdictions. Grantees may wish to consult this data [LINK – to HUD USER data], in developing this section of the Substantial Amendment.

<u>Response:</u>

<u>(1) Methodology to Measure Areas of Greatest Need</u>

(a) Based on the strict 18 month implementation period spelled out in the federal statute authorizing the Neighborhood Stabilization Program (NSP) and in accordance with the recent October 6, 2008 Federal Notice and subsequent state supplement, the Department has determined that a formula "methodology of need" and allocation of potential NSP resources will be required in order for DCA to meet the timelines for the State's program.

(b) Through the methodology described below, DCA has determined the State's areas of greatest need and potential allocations for all jurisdictions through a calculation that uses the data elements required in Section 2301(c)(2) of HERA in addition to several others. As detailed in Appendix 1, the methodology calculates need on a county basis and ranks all counties based on a methodology that considers the percent and number of actual residential foreclosures (including remnant Residential Owned Properties [REO]), the percent and number of subprime mortgages used to purchase residential properties along with variables that consider residential vacancies and severe housing cost burdens for households with low- and moderate-incomes. These combinations of variables not only measure the current residential foreclosure and abandonment problem, DCA believes they are predictive of future foreclosure and abandonment problems.

(c) As detailed within, the Department has considered the needs of the entire state in its assessment of need and all jurisdictions are potentially eligible to receive an allocation or participate directly with the Department. While the needs within both NSP entitlement and non-entitlement local governments are considered, entitlement jurisdictions that have had their needs measured and received a direct allocation through the federal allocation process will have any subsequent "direct state" allocations adjusted by subtracting the amount of any direct federal allocation already received from the state allocation. Those entitlement jurisdictions who do not receive an initial allocation of funds based on the "offset" described above, retain eligibility to receive funds from the state program under the reallocation process (see Sec. B(5)(b)

(2) Correlation with HUD Calculations of Need and Allocations

(a) As outlined in Appendix 2, the State's ranking of actual need and subsequent allocations correlates with the calculations using the method outlined on HUD's website at www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/nspfa_methodology.pdf. While HUD's methodology used state level data to estimate the need of entitlements that received direct federal allocations, the Department is using actual foreclosure and HMDA data to measure the need at the county level. To prorate the need and allocations among cities within a county, the State used the ratio of housing units within each jurisdiction.

(3) Submission of "Needs Data" from Local Jurisdictions

(a) Please note that in order to further substantiate the "needs" and amounts of subsequent allocations, the Department has surveyed all entitlement and non-entitlement jurisdictions and asked for specific information on the number and location of foreclosure problem areas. DCA surveyed all eligible local jurisdictions and received 53 responses to our survey with specific data. Those local metrics, which substantiate our calculations, are delineated within Appendix 6 and in the NSP information by activity below.

(4) Assistance Agreement Conditions to Prioritize High Risk Areas

(a) DCA has encouraged jurisdictions applying for Direct Allocation assistance to prioritize assistance to areas of greatest need within LMMI areas and areas of foreclosure and abandonment risk as determined by HUD. Jurisdictions should include large scale maps of these areas to demonstrate such targeting. Through its contract with foreclosure data providers, DCA will review local proposals (see Section B(6)(i)) against maps of foreclosed units to insure locals targeting of highest need areas. In order to focus on the areas of greatest need within a sub-recipient's jurisdiction, the State will negotiate and, when appropriate, require "special conditions" on its Direct Allocation agreements to encourage any funded sub recipients to give priority to the areas of highest need. See Appendix 3 for maps of these areas.

(b) In order to meet HERA requirement at Section 2031(f)(3)(A)(2) to spend at least 25% of funds for households or individuals at or below 50% AMI, the State will require a special condition on assistance agreements to require all sub-recipients to comply with this provision.

(c) Each Direct Allocation recipient's performance will be subject to rigorous quarterly reporting and on-site monitoring as described in Section B(4)(a) through (d).

(5) Eligible Uses of Assistance to Address Needs (NSP Activities)

(a) establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-seconds, loan loss reserves, and shared-equity loans for low- and moderate- income homebuyers;

(b) purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties;

(c) establish land banks for homes that have been foreclosed upon;

(d) demolish blighted structures; and

(e) redevelop demolished or vacant properties.

(6) Provisions for Homeowner Counseling, Purchase Mortgages and Other Limitations

(a) Note that sub-recipients will be required to provide each NSP assisted homebuyer with at least 8 hours of homebuyer counseling from a HUD-approved housing counseling agency before obtaining a mortgage loan. Sub-recipients will also be required to ensure that homebuyers obtain mortgage loans from lenders who agree to comply with the bank regulators' guidance for non-traditional mortgages available at www.fdic.gov/regulations/laws/rules/5000–5160.html.

(b) Sub-recipients should note that the provisions of Section 2301(d)(1) through 2301(d)(1)(4) will be made applicable for any assistance approved through this program. These provisions deal with purchase discounts, rehabilitation, sale of homes and program income.

(7) Advisory Group and Citizen Participation

(a) Please note that this Action Plan's analysis of need and subsequent allocation method was a cooperative undertaking through a DCA advisory group made up of representatives of affected local governments, the state's municipal and county associations, non-profits, lending institutions, regional commissions, and other interested parties. The Advisory group met on September 11, and October 16, 2008. A discussion of this Plan and proposed method also occurred during the 2008 Recipients Workshop for the annual CDBG competition on September 16, 2008 and a CDBG technical assistance workshop on October 23, 2008. The State's Action Plan and coordination with entitlement recipients of NSP funding was also discussed during a conference held October 28, 2008 in Atlanta, Georgia sponsored by the Department, Atlanta Regional Commission, and Atlanta Neighborhood Development partnership, Inc.

(b) On November 13, 2008 the Department published this proposed Action Plan on the Department's website at http://www.dca.state.ga.us/communities/CDBG/programs/nsp.asp and requested comments. Concurrent with the publishing of the proposed Action Plan, the Department also published an Intent to Publish a State NSP Notice of Funds Availability (NOFA).

(c) On November 18, 2008 the Department held a public hearing at DCA Atlanta headquarters attended by 61 individuals and heard comments and answered questions regarding NSP. Significant commentary is published below in Section F.

B. DISTRIBUTION AND USES OF FUNDS

Provide a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures. Note: The grantee's narrative must address these three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

Response:

(1) Distribution of Funds and Direct State Undertakings

(a) As detailed within this plan and appendices, DCA has used a methodology to rank the State's jurisdictions based upon greatest need and plans to distribute its funds using **two (2) methods**: *i*) A distribution of NSP assistance for the highest ranked jurisdictions (pursuant to Section A(1)) with viable proposals that also meet the minimum funding threshold **(Direct Allocation Pool)**; and *ii*) DCA will give priority to other high ranked jurisdictions with viable proposals that do not meet the minimum funding threshold requirement. For these areas NSP activities will be undertaken directly through the Georgia Housing and Finance Authority (GHFA) using existing delivery systems that have been slightly modified for NSP activities **(Flexible Pool)**.

(b) Assistance from the Direct Allocation or the Flexible Pool may take the form of grants, loans or any other assistance type allowed the HERA statute, regulation, or HUD guidance.

(2) Distribution Method Meets Requirements of HERA

a) As required in the instructions above, DCA reiterates that the methodology used to rank jurisdictions insures funding to areas of greatest need through the use of variables that measure the three HERA stipulated categories for states including: *i*) percentage of home foreclosures; *ii*) the highest percentage of homes financed by subprime mortgages; and *iii*) areas likely to face a significant rise in the rate of home foreclosures. As detailed in Section A(1) and the methodology description within Appendix 1, the State has used a methodology that considers the percent and number of actual residential foreclosures (including remnant Residential Owned Properties (REO)), the percent and number of subprime mortgages used to purchase residential properties along with variables that consider residential vacancies and severe housing cost burdens for households with low- and moderate-incomes. These combinations of variables not only measure the current residential foreclosure and abandonment problem, DCA believes they are predictive of future foreclosure and abandonment problems. Please see Appendix 1 for details.

(3) State Allocation Amount Available

(a) On September 30, 2008 the federal government allocated a total of $153,037,451 to Georgia's urban jurisdictions (entitlements) and the State for the NSP Program. Nine (9) entitlement jurisdictions received $75,952,326 in direct allocations from HUD and the State received an allocation of $77,085,125. The purpose of this Plan is to describe the method that the State will use to distribute the $77,085,125 allocated to the State.

(4) Administration, Grants/Loan Management, Monitoring, Reallocations and Reporting

(a) Administration and Grants Management. The Department will use its existing CDBG Administrative and Grants Management framework to manage NSP assistance. Each NSP allocation award will be subject to a legally binding assistance agreement that includes appropriate Certifications and General or Special Conditions. In addition, processes exist to "Special Condition" the unique requirements of the NSP including the limitations of Section 2301(d) of the Act related to appraised values, discounts on purchased properties and the sale and reinvestment or return of any program income generated by the NSP activities.

(b) Detailed Budgets and Drawdowns. Individual recipients will have their NSP funds approved pursuant to a detailed budget designed around the eligible activities of Section 2301(c)(3) of the Act. Individual drawdowns will be required to include details and/or supporting cost documentation on the activity being financed. Such data will be reconciled with project reports and on-site monitoring as described below.

(c) Project Monitoring. The CDFD's Office of Field Services will expand its existing system for monitoring of CDBG projects and contracts. NSP projects will receive on-site monitoring to document local accountability and prevent inappropriate activities. Monitoring areas will include the standard CDBG programmatic areas including eligibility of activities, financial management, citizens' participation, environmental, procurement, contract provisions, acquisition, rehabilitation, clearance, and disposition of any properties. Program representatives will check and verify reported outcomes during on-site monitoring visits. Should any findings occur, recipients will be required to correct the problem or else the ineligible expenditures will be disallowed and funds recaptured by the Department.

(d) Reporting. Each Recipient will report on a quarterly basis (on the Department's on-line CDBG reporting system) for the status of the activities undertaken and the funds drawn. Quarterly status reports will be due to the Department within 15 calendar days following the end of each quarter. The state will then report to HUD using the online Disaster Recovery Grant Reporting system. Additional reporting requirements (i.e., annual audits, contractual obligations and other required reports) will be specified in the Department's grant agreement.

(5) Amendments and Reallocations

(a) Given the aggressive implementation schedule of the Act, should the State program receive an additional allocation from HUD or should DCA determine that a recipient's allocation is not accepted in a timely manner or that a recipient's project is not performing satisfactorily or on a timely basis, the Department may deobligate and/or re-allocate the non-performing contract or allocation and reallocate the resources to other recipients, jurisdictions or projects in either the Direct Allocation Pool or the Flexible Pool.

(b) DCA may direct reallocations to any jurisdiction(s) meeting a minimum funding threshold of $500,000 (including NSP funds directly allocated by HUD to the nine NSP entitlement jurisdictions in the state) who on the basis of administrative capacity and program design or the proper and timely utilization of initial NSP allocations have demonstrated an ability to fulfill the objectives of this Action Plan.

(*i*) Jurisdictions that did not receive an initial allocation of State funds under the methodology described in Sec. A(1)(c) and Appendix 1 who are interested in receiving state reallocations should submit a response to the NOFA as required by the deadline described in Sec (B)(6)(k). This response may consist of a letter of interest in participation in the State program along with a copy of the jurisdiction's Action Plan as approved by HUD. The Action Plan must meet the criteria outlined in Sec B(6)(i*)*.

(ii) Jurisdictions participating as described in (*i)* above will be required, at a minimum, to submit progress reports generated from their DRGR reporting system to DCA monthly to be considered for reallocation of NSP funds.

(6) Method One—General Considerations of the Direct Allocation Pool

(a) Eligible Recipients for Direct Allocation. Eligible recipients for State Direct Allocation of NSP assistance under this method include all units of general-purpose local government, including those cities and counties eligible to participate in the traditional "CDBG Entitlement Program" of HUD. In order to participate and in addition to requirements contained in the NSP, local governments must be in compliance with applicable federal and state laws including all audit requirements.

(b) Local Government Authorization Required. Local governments are responsible for the authorization of an NSP application and project within their jurisdiction, It should be noted that local governments may undertake projects through several means: *i*) direct receipt of the assistance and direct implementation of the activities (with or without a contract for project administration); *ii*) direct receipt of the assistance and implementation of the program through a contract(s) with a qualified and eligible sub-recipient(s);and *iii*) authorization for qualified and eligible sub-recipient(s) to directly receive assistance and implement specific NSP activities within a clearly defined target area within the local government's jurisdiction provided the local government has followed all applicable procurement requirements at 24 CFR Part 85.36 in selecting the sub-recipient.

(c) Eligible Sub-Recipients for Direct Allocation Assistance. Eligible sub-recipients consist of properly organized entities in good standing (with audited or reviewed financial statements) including: *i*) local, regional or state development, housing or land bank authorities authorized to administer or implement HERA/NSP activities; *ii*) for-profit corporations; *iii*) non-profit corporations; *iv*) any other properly organized entity including partnerships and sole proprietorships; and *v*) regional development centers authorized pursuant to O.C.G.A. 50-8-30.

(d) Minimum Assistance Amounts for State Direct Allocation. In order to encourage the greatest breadth of impact on the State's residential foreclosure problems, the Department has set a minimum assistance size of $500,000 for state NSP Direct Allocation assistance (including NSP funds received directly from HUD).

i) As described in Section A and Appendix 1, the extent of a jurisdiction's initial assistance will be determined through a calculation that will allocate funds through the $500,000 minimum assistance amount range until the method no longer returns a minimum award.

(e) Jurisdictions with an initial assistance allocation must still meet the Section B(6)(i) viability criteria in order to receive the award.

(f) Amounts Initially Allocated to the Flexible Pool. Similar to the federal method, following the initial allocation, the remaining balance of the state funds (unallocated amounts below $500,000) will be added to the "Flexible Pool" as described in Section B(7) below and made available to projects within all jurisdictions through a separate process managed by GHFA.

(g) Regional Partnerships for Purposes of Program and/or Achieving Minimum Direct Allocation amounts. For purposes of maximizing local jurisdictions' opportunities to receive Direct Allocations for areas with a high foreclosure and abandonment risk as determined by our methodology, the Department will allow jurisdictions that have initial allocations below the minimum threshold amount of $500,000 to combine their initial allocations into a joint or regional application in order to reach the Direct Allocation threshold. DCA must be notified of the decision to file a joint or regional proposal by December 15, 2008 in the NOFA/RFP process.

i) Joint or regional proposals must include a joint resolution and/or agreement from all participating local governments [and sub-recipients if the proposal will utilize the implementation procedures described in Section B(6)(b)].The resolution or agreement must identify the lead applicant and be signed by appropriate representatives of all governments.

(h) Right to Waive Provision. The commissioner of DCA retains the right to waive the requirement for a supporting authorization if in his or her judgment a waiver serves the interests of the Georgia NSP program. The commissioner will consult with the chief elected official prior to granting a waiver of the resolution requirement.

(i) Basic Viability Threshold Criteria for Proposals Requesting Direct Allocation. When evaluating proposals submitted for a Direct Allocation, DCA will consider the following criteria: *i*) prioritization of assistance to area(s) of highest and greatest need for eligible LMMI areas and areas with a high foreclosure and abandonment risk; *(ii)* applicant's administrative capacity, understanding and history of successfully completing CDBG and HERA type activities; *iii*) clearly identified needs (e.g. specific eligible properties), implementation plan with specific eligible activities, and documentation of ability to implement activities quickly; *iv*) congruence between DCA's initial proposed allocation, funds requested through the local proposal, and the activities chosen to address the needs described; *v*) adequacy of local proposal to have at least 25% of proposed allocation benefit persons below 50% of the AMI; *vi*) a clear readiness to proceed with specific activities; *vii*) the efficiency and effectiveness of the proposed activities (e.g. when purchasing units or property for rehabilitation and sale within the local market, the jurisdiction is generally targeting units that require reasonable assistance to become "affordable housing" for LMMI persons; *viii*) demonstrated understanding of applicable laws and regulations; *ix*) description of implementation partnerships (if any) and documentation of partner roles and agreements and *x*) any needed agreements (e.g. options, contracts, leases, etc.) are in place and ready to implement.

a) Appendix 4 contains a detailed description of each criterion. Applicants are strongly encouraged to review this Appendix and insure they submit appropriate documentation with their proposals.

b) The Department reserves the right to contact potential recipients and sub recipients to discuss and or negotiate any requested assistance.

c) Applications should contain large scale maps that demonstrate the location of their proposed activities and the extent that these locations are within areas discussed in Section A(4)(a) of this Plan.

(j) Direct Allocation NOFA Process. On November 13, 2008, the Department announced NSP funding availability, published our Action Plan for comment and Intent to Publish a Notice of Funds Available (NOFA) on December 1, 2008. Through the November 13th Action Plan publication listed within the Appendix 2, the Department appraised all jurisdictions of their "need ranking", status of initial allocation (or lack thereof), and the threshold review criteria to be used to assess all proposals. Subsequent to the 15 day public comment period, the Department incorporated comments and responses and finalized any changes to the Action Plan made as a result of public commentary. The Department communicated those changes to the Plan to jurisdictions preparing their NSP applications through publication of the Action Plan as submitted to HUD on December 1, 2008.

(k) Deadline for Submission of Direct Allocation Proposals. The deadline for submission for all Direct Allocation proposals is January 15, 2009. Should HUD not approve this Action Plan on a timely basis, the Department reserves the right to adjust this deadline and subsequent dates affected by HUD's delay or any needed adjustments to the Action Plan.

(l) Timing of Direct Allocation Awards. On January 15, 2009, DCA will begin a Period of Review that will extend until February 13, 2009. On or about February 20, 2009, DCA plans to announce the Direct Allocation awards and other contracts and proceed to issue NSP allocation agreements. Acceptance of allocation agreements by local jurisdictions must occur within 15 days of the announcement. DCA will retain the flexibility to make grant announcements and enter into contracts prior to February 20, 2009. Because of limited timeframes, DCA anticipates awarding all State Direct Allocation funds by February 20, 2009; however, DCA retains the authority to award funds and enter into contracts or agreements at anytime in order to serve the best interests of the NSP program. DCA also retains the authority to accept applications after the application deadline.

(7) Method Two—General Considerations of the Flexible Pool

The Georgia Housing and Finance Agency (GHFA), whose programs are administered by the Housing Finance Division of the Department of Community Affairs (DCA), will oversee the administration of the Method Two Flexible Pool. GHFA's Board is the same board as DCA's board and its executive director is also the commissioner of DCA. GHFA is the state participating Jurisdiction (PJ) under the HOME program and serves as the state's Housing Finance Agency managing the state's Low Income Housing Tax Credit Program. GHFA and DCA will enter into a Memorandum of Understanding (MOU) that outlines GHFA's responsibilities under the Georgia NSP program.

The flexible pool will be initially funded at approximately $19 million. NSP will be allocated by GHFA to projects using three (3) programs as a framework for award decisions—The Georgia Dream/NSP Purchase Program, the Permanent Supportive Housing Neighborhood Stabilization Program (PSHNSP) and the Low Income Housing Tax Credit Program. Funding for these programs will be available to applicants in jurisdictions whose minimum assistance size was determined to be $100,000.00 for State NSP Direct Allocation Assistance (including NSP received directly from HUD), as described in Section A and Appendix II of this Plan.

Five million dollars ($5,000,000.00) will be initially allocated for the Georgia Dream/NSP Purchase Program and DCA reserves the right to reallocate this amount in accordance with Section B (5) of this Action Plan. The remaining balance of the flexible pool funds will be used for the Permanent Supportive Housing Neighborhood Stabilization Program (PSHNSP) and the Low Income Housing Tax Credit Program. Funding of these programs will be based on the response to the RFP for the flexible pool as described below. A set-aside of twenty five percent (25%) of the flexible pool's funds will be used to fund Permanent Supportive Housing Neighborhood Stabilization Program projects. What follows is a description of each program.

The Georgia Dream/NSP Purchase Program

The Georgia Dream/NSP Purchase Program will allocate $14,000 in NSP funds for down payment and, if necessary, rehabilitation assistance to NSP eligible properties. Georgia Dream NSP loans will only be available with 30-year, fixed rate first mortgage loans insured by either FHA or VA. Properties which do not meet housing quality standards (HQS) will be eligible for no more than fourteen thousand dollars ($14,000.00) in rehabilitation costs to bring the property up to HQS. Any funds not used for rehabilitation costs may be used for down payment assistance. The loans will be reserved through the Georgia Dream loan reservation system and will be funded with NSP funds after GHFA verifies that all program requirements have been met. DCA will release a portion of the Georgia Dream NSP loan amount for each year that the property remains in compliance with the terms Georgia Dream NSP Purchase Program. The Georgia Dream/NSP Purchase Program will be available through Georgia Dream participating lenders throughout Georgia and standard FHA and VA credit underwriting requirements will apply. All homes financed through the Georgia Dream/NSP Purchase Program will have the minimum periods of affordability in accordance with the HOME Program (24 CFR §92.254). Additional information on the Georgia Dream program can be found on DCA's website:

http://www.dca.state.ga.us/housing/Homeownership/programs/GeorgiaDream.asp

Permanent Supportive Housing Neighborhood Stabilization Program

Through the Permanent Supportive Housing Neighborhood Stabilization Program (PSHNSP), GHFA will offer a conditional loan to develop permanent supportive housing for eligible Homeless Tenants as defined in the PSHNSP Program Description. All NSP units in a project will be rented to households at incomes less than 50% of Area Median Income (AMI) as adjusted for family size for the minimum periods of affordability in accordance with the HOME program (24 CFR §92.252). PSHNSP funds may only be used for the proportionate share of the project's total development costs set aside for Homeless Tenants. PSHNSP funds may not be combined with resources available through the Low Income Housing Tax Credit Program. Additional information on the Permanent Supportive Housing Program can be found on DCA's website:

http://www.dca.state.ga.us/housing/HousingDevelopment/programs/permanentSupportiveHousing.asp

Low Income Housing Tax Credit Program

GHFA will allocate NSP funds for activities to be funded under its Low Income Housing Tax Credit Program. Forty percent (40%) of the total residential units funded in a project must be rented to tenants at 50% AMI for the minimum period of affordability in accordance with the HOME program (24 CFR

§92.252). Additional information on the Low Income Housing Tax Credit Program can be found on DCA's website:

http://www.dca.state.ga.us/housing/HousingDevelopment/programs/OAH.asp

The specific entities that will carry out the activities under the programs listed below have not yet been identified by GHFA. However, all eligible applicants pursuant to Section B(6)(a) and (c) will be allowed to apply to the Flexible Pool, including individuals, local governments, for-profit corporations, non-profits corporations, and any other properly organized entity including partnerships and sole proprietors. The entities applying to the PSHNSP or the Low Income Housing Tax Credit will be selected under a Request for Proposals (RFP) on a competitive basis issued by GHFA for eligible NSP-activities. Individuals applying to the Georgia Dream/NSP Purchase Program must apply through a Participating Lender for the Georgia Dream/NSP Purchase Program and must meet all program requirements prior to funding.

NSP funds awarded through the Flexible Pool will be in the form of loans. Entities awarded loans under the Flexible Pool will be provided with commitments specific to the program under which the loan was awarded. The commitment will contain the terms, conditions, program requirements and benchmarks that must be met in order to comply with the commitment. All commitments will be required to meet NSP deadlines, requirements and affordability restrictions through restrictive covenants, restrictive agreements and other legal mechanisms.

The estimated timeline under the Flexible Pool for the Georgia Dream/NSP Purchase Program is as follows:

- Final Action Plan Amendment Submitted to HUD: December 1, 2008
- Application Available to Potential Recipients: Within Four Weeks of HUD Approval (February 2009). Applications will be awarded on a first-come, first-serve basis.
- Application Deadline: May 2010

The estimated RFP timeline under the Flexible Pool for the Permanent Supportive Housing Neighborhood Stabilization Program and the Low Income Housing Tax Credit Program is as follows:

- Final Action Plan Amendment Submitted to HUD: December 1, 2008
- RFP Submission Begins: Within Four Weeks of HUD Approval (February 2009)
- RFP Submission Ends: Beginning of March 2009
- Review Process Complete: Beginning of April 2009
- Awards Made: April 2009

If any funding remains in or is reallocated the Flexible Pool, then a second RFP may be issued to expedite the use of these funds. In addition, any funds deobligated or reallocated to the Flexible Pool as a result of failure to meet commitment requirements, as detailed below, could be reallocated as described in Section B (5) of this Action Plan.

A NSP RFP Review Team will be established to review the proposals submitted under the Permanent Supportive Housing Neighborhood Stabilization and the Low Income Housing Tax Credit programs. Once all programmatic requirements for a commitment of funds are met, priority emphasis and consideration will be given to those metropolitan areas, metropolitan cities, urban areas, rural areas, low- and moderate-income areas, and other areas with the greatest needs including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by subprime mortgage related loans and those identified by the State or unit of local government as likely to face a significant rise in the rate of home foreclosures as outlined in §2301(c)(2) of the Act.

Proposals will be reviewed by the NSP RFP Review Team with a number of criteria in mind, focused on the critical components of the Act and, including, but not limited to, the following categories:

- A proposal that supports GHFA's targeted areas of greatest need and demonstrates that the project will address specific areas of need;
- The respondent identifies specific properties for the obligation of funds;
- The proposal evidences local government support or acknowledgement needed to make the project successful;
- Data is provided that addresses housing foreclosures and the need for neighborhood stabilization; and
- The proposal evidences an ability and strategy to meet a need of stabilizing a neighborhood at risk due to foreclosure, abandonment or blight.
- The respondent demonstrates capacity and experience to successfully carry out the project within the Act's timeframes;
- The respondent demonstrates financial accountability; and
- The respondent demonstrates readiness to meet the obligation and expenditure requirements with regards to the activity identified.

Each of the criteria listed above will be examined in the review process. Detailed program descriptions, including terms and funding requirements, will be included as a part of the RFP.

C. DEFINITIONS AND DESCRIPTIONS

(1) Definition of "blighted structure" in context of state or local law:

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

(2) Definition of "affordable rents." ***Note:*** Grantees may use the definition they have adopted for their CDBG program but should review their existing definition to ensure compliance with NSP program –specific requirements such as continued affordability.

Response: The State will require the NSP program recipients to follow the HUD regulations as set forth in 24 CFR 92.252.

(3) Describe how the grantee will ensure continued affordability for NSP assisted housing.

Response: The State will require NSP projects to follow the affordability requirements for the HUD HOME program as set forth in 24 CFR 92.252 (2) (2) for rental housing and in 24 CFR 92.254 for homeownership housing, based on the amount of NSP funds provided for each project. All rental housing affordability restrictions will be imposed by deed restrictions. When there is more than one financing source (besides NSP) imposing land use restrictions on a project, the most restrictive requirements will apply to the project.

For homeownership projects, the DCA NSP program loan documents including a subordinate deed to secure debt, loan agreement and/or note will be used to enforce the required period of affordability.

In accordance with HERA, in the case of previously HOME-assisted properties for which affordability restrictions were terminated through foreclosure or deed in lieu of foreclosure, an NSP grantee will be required to reinstate the HOME affordability restrictions for the remaining period of HOME affordability or any more restrictive continuing period of affordability required by any other financing source participating in the NSP project.

(4) Describe housing rehabilitation standards that will apply to NSP assisted activities.

Response:

a) Newly constructed or rehabilitation of single or multi-family residential structures being funded using NSP assistance must, at project completion, meet all applicable regulations in accordance with Minimum Standard Georgia Building Codes (http://www.dca.state.ga.us/development/constructioncodes/programs/codes2.asp) as well as all locally adopted codes
b) All requirements of 24 CFR Part 35 as related to lead-based paint shall apply to NSP activities.
c) All single and/or multifamily residential structures must also meet all federal and state accessibility requirements including but not limited to those associated with the use of federal funds.

D. LOW INCOME TARGETING

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income: $ 19,271,281.25.

This amount is derived as follows: Total State of Georgia allocation: $77,085,125 x 25% = 19,271,281.25

Note: At least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50 percent of area median income.

Response: All responses to the DCA issued NOFA (as described in Section B) will be required to describe their methodology for how at least 25% of NSP funds will be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income.
Further, as discussed in Section A(4)(b) DCA will require, through it's legally binding assistance agreement, that all sub-recipients will spend at a minimum 25% of NSP funds on individuals or families whose incomes are at or below 50% AMI.

E. *ACQUISITIONS & RELOCATION*

Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).

If so, include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
- The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 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).
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

Response: Pursuant to our survey of potential grantees, the Department does not anticipate demolition or conversion of any occupiable or occupied low-and-moderate dwelling units.

However, should any subgrantees propose such activities, the Department will modify it's Action Plan in accordance with HUD requirements and include methodology for reporting to HUD (via DRGR) and posting this information prominently on the DCA website for viewing by the general public. Given the inventory of foreclosed upon units, sub-recipients are encouraged NOT to engage occupied units.

F. PUBLIC COMMENT

Provide a summary of public comments received to the proposed NSP Substantial Amendment.

Response:

As described in Section A(7)(a-c), the Department conducted several planning meetings, and held a public hearing during the required 15 day comment period to ensure maximum citizen participation.
Copies of submitted written comments are attached as Appendix 7.
These comments are summarized as follows:

Comment: Several (identical) comments were received that suggested that DCA create a "set aside" to be shared by the nine Georgia communities that received a direct NSP allocation from HUD (NSP Entitlements). These comments suggested that: 1) the state follow the exact distribution methodology that HUD used for the state to distribute funds within the state; 2) the state use the CDBG 70% / 30% split that HUD uses to fund entitlement and state programs in CDBG to create a state NSP set-aside for the state program and distribute funding from each portion to NSP entitlements and non-entitlements "only flip it" so the non entitlements share the 70% portion and the entitlements 30% and goes on to propose the amounts for distribution to each NSP entitlement.

DCA response:
As described in Section A(2)(a) "While HUD's methodology used state level data to estimate the need of entitlements that received direct federal allocations, the Department is using actual foreclosure and HMDA data to measure the greatest need at the county level." Through the use of actual data to measure need, DCA has measured actual need as compared to the projected need derived through regression analysis employed by HUD to estimate need. Where the state's formula indicated a larger need and subsequent allocation amount greater than the HUD formula, the offset was funded. DCA's methodology uses actual data to determine area of greatest need as required by the criteria spelled out in the HERA statute. There is no provision in the HERA statute or in guidance received from HUD to create a set-aside for traditional entitlements or use an arbitrary 70% / 30% split of NSP funds, DCA decided to use actual need on a county basis. The state formula has calculated greatest need on a county basis and ranks all counties based on a methodology that considers the percent and number of actual residential foreclosures (including remnant Residential Owned Properties [REO]), the percent and number of subprime mortgages used to purchase residential properties along with variables that consider residential vacancies and severe housing cost burdens for households with low- and moderate-incomes. These combinations of variables not only measure the current residential foreclosure and abandonment problem, DCA believes they are also predictive of future foreclosure and abandonment problems. As such, DCA believes its methodology meets the elements required in Section 2301(c)(2) of HERA.
NSP entitlement jurisdictions who do not receive an initial allocation of funds based on the "offset" described in Section A(1)(c), retain eligibility to receive funds from the state program

under the reallocation process (see Sec. B(5)(b). We have modified the narrative describing our reallocation process to ensure that any entitlement is potentially eligible to receive a portion of a state NSP reallocation.

Comment: One commenter suggested that a fourth activity be added to the direct activities the state will undertake under the Flexible Pool. Specifically the comment suggests that Acquisition of eligible properties be added as an activity.

DCA Response:
GHFA understands that the NSP program may allow for this type of activity. GHFA did consider adding additional programs while working on the initial draft of the substantial amendment. However, given the limited number of resources available through the pool and the complex compliance and statutory requirements of NSP (particularly the need for the 25% set aside), DCA believes that the programs available through the flexible pool should be limited.

Comment: A commenter suggested "a proposal to allow any jurisdiction already receiving their own NSP Allocation to receive NSP funds through the State Allocation (DCA) if their jurisdiction has insufficient funds to cover their needs/projects".

DCAResponse
In response to this and other similar comments, DCA has re-written its reallocation methodology to explicitly state that NSP entitlement communities are eligible to receive state reallocations.

Comment: One commenter suggested that DCA "consider 1) using some or all of your agency's allocation in conjunction with the low income tax credit program, and 2) that DCA consider allocating the funds in significant amounts ($3 million per project) so that there is a measurable impact on the projects."

DCA Response:
As part of the eligible activities to be undertaken, DCA's plan allows jurisdictions to use NSP funds in conjunction with the low income tax credit program in both the Flexible Pool and the Direct Allocation Pool,. DCA believes that with a minimum funding amount of $500,000. NSP projects can realize significant impact while allowing funding to be distributed to significantly more areas of need than a $3 million minimum would allow.

Comment: One commenter suggested that DCA 1) create a set-aside of affordable units by specifically targeting development to groups with the lowest incomes who rely on federal Supplemental Security Income (SSI) and Social Security Disability Income (SSDI) payments. 2) modify the statutory 25% of NSP targeted to <50% AMI requirement to include a requirement that 12.5% of housing development is targeted to individuals and families at 30% of monthly SSI income; create a requirement that 20% of funded units under the Flexible Pool must be rented to tenants at 50% AMI and 20% must be rented to tenants at 15% AMI; 3) In the Permanent Supportive Housing Program, specify that 50% NSP funded units in a project will be rented to eligible Homeless *and/or Disabled* Tenants at incomes less than 50% of AMI; 4) Use NSP to target new rental housing developments as Permanent Supportive Housing by requiring linkages with these developments to networks of voluntary supportive services that can be customized to the needs of the household; 5) Require developers of foreclosed and blighted housing stock targeted through NSP funds to include a mix of single family homes, condominiums and multifamily properties in their development proposals; and 6) Include language/text in the NSP Amendment that explains HUD's regulations for Section 504 of the '73 Rehabilitation Act as amended that requires that a minimum of 5% of housing units, receiving federal financial assistance (as is the case with NSP), must be accessible to persons with mobility disabilities and another 1% each, for persons with hearing and visual disabilities.

DCA Response:
Given the aggressive implementation schedule of the Act, DCA believes it should not impose more restrictive uses than the statutory requirement that 25% of funding is spent for households and individuals at or below 50% AMI. It is DCA's opinion that this requirement will be difficult to achieve and that imposing further restrictions would serve to impair the state's ability to carry out the program in a timely manner. However, DCA encourages such uses as described. DCA will require through its legally binding assistance agreements, that ALL grantees follow the requirements of Section 504 of the Rehabilitation Act of 1973.

Comment: One commenter suggested 1) "that the proposed income targeting requirement for combining Tax Credits and NSP funds will be at least 40% of a project's total units at 50% AMI or less. We would recommend that this be decreased to at 30% of the units at 50% AMI. We recognize that the federal requirement is that 25% of the funds be used for households earning 50% AMI and we believe a requirement of 30% of the units is a fair balance between DCA achieving it's requirement and not overburdening a project with too many very-low income households."; 2) "We understand that there is some question as to what type of appraisal will be required to be submitted to DCA, to reflect the 15% discount. We suggest that DCA look to an as-improved appraised value, since the purpose of purchasing the properties will be to rehabilitate/construct new." ; and 3) In the draft 2009 QAP, 6 points are allocated for projects using the DCA allocation of NSP funds. We assume these points could be secured by EITHER using the Direct Allocation OR the Flexible Pool. We would ask that the QAP be clarified to confirm this.

DCA Response:
Part of these comments are directed to the low income tax credit program that is administered at DCA and must be addressed specifically by that program although it should be noted that all recipients of state NSP funds will be required to spend at least 25% of NSP funds on individuals and households at or below 50% AMI. DCA shall request guidance from HUD on the appraisal methodology. DCA is concerned that the statutory requirement to purchase all properties at a discount has been interpreted too severely by HUD and that a requirement to purchase eligible at a combined 15% discount will, if practiced, further drive down property values in neighborhoods thus exacerbating the very problem the statute is trying to address.

Comment: On November 28, 2008, one commenter provided a detailed analysis of the distribution methodology DCA proposed and concluded: "The main conclusion of our analysis is that the Georgia Department of Community Affairs should give serious consideration to revising the formula for distributing the state's Neighborhood Stabilization Program funds to local jurisdictions to improve targeting to the communities most affected by the mortgage foreclosure crisis. While DCA's proposed formula does a reasonably good job of directing funds to counties impacted by trustees' sales and REOs (as measured by RealtyTrac), it is less effective at targeting funding to high need communities as measured by other indicators of the mortgage foreclosure crisis, many of them predictive of future foreclosures and residential abandonment".

DCA Response:

While the proposed formula alternatives and recommended version took into account detailed statistical analysis from additional data sources than those used in our analysis of need, DCA believes the data used meets all criteria required and portrays an accurate description of statewide need, by county. The combination of variables used not only measure the current residential foreclosure and abandonment problem, DCA believes they are also predictive of future foreclosure and abandonment problems. As such, DCA believes its methodology meets the elements required in Section 2301(c)(2) of HERA.

Comment: One commenter suggested that we postpone the application deadline for state NSP funds from our proposed date of January 15, 2009 to February 13, 2009.

DCA Response:
Our original draft of the Action Plan included a December 31, 2008 deadline for applications to be submitted for state funds. DCA moved that date back to January 15, 2009 to allow additional time for application preparation. Given the aggressive implementation schedule of the Act, DCA is concerned that any additional time beyond the January 15, 2009 deadline will jeopardize our ability to commit all funds within the 18 month timeframe. DCA will allow communities to amend their approved plans to incorporate needed modifications to ensure robust performance.

G. *NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)*

The State of Georgia developed this Section based on a questionnaire that was sent to all cities, counties, and other interested parties in the state on October 8, 2008. See Appendix 5 for a copy of the memorandum distributing the survey and the survey instrument. The memorandum was distributed to all communities, including entitlements, whether receiving an NSP allocation from HUD directly or not. See Appendix 6 for a summary of the results of the survey. Briefly, Georgia received 53 responses from cities, counties, and interested agencies. Most respondents were interested in the program directly or in partnership with other agencies or the private sector.

Generally, the activities below were based on the numerical responses provided by the respondents, although the narrative provided by respondents was used in some cases to highlight need or assist in determining various activities. No estimates were necessary because the needs identified in the responses already oversubscribe the funds available. Rather, activity amounts had to be reduced proportionately.

From our analysis, we note that 34 of the respondents (or 64 percent) of the total of 53 respondents are in the highest third of counties ranked on the basis of "areas of greatest need." (See allocation methodology in Section A). This means there is a high correspondence between the areas of greatest need and demand for Georgia NSP funds. As further corroboration, we also note that 82 percent of the foreclosed units that respondents estimated could be acquired and returned to productive service are within counties that ranked in the highest third of "areas of greatest need."

Activities are not broken out by a particular funding Method or Pool. All activities are combined; however, activity descriptions include specifics to the extent available on locations, types of projects, types of programs, whether the Direct Allocation or Flexible Pools are likely to fund aspects or portions of the activities, and budget estimates for programs the state is aware of that are already in the formative stages. DCA does anticipate needing to submit an amendment at some point during the life of Georgia's NSP program when local applications are received and demand for funds is more clearly known. Note that all eligible recipients, even though not a respondent on the DCA survey, may apply for funds.

Note on methodology for activity budgets. Budgets were first estimated based on total demand for the activities below, i.e., based on survey results as summarized in Appendix 6. A reasonable multiplier was used for the types of units described. (For example, a multiplier of $16,000 was used for the rehabilitation activity multiplied by the number of units respondents estimated that they could rehabilitate during the timeframe allowed.) The multipliers were chosen based on DCA's experience in managing these types of activities for the past 30 years as the grantee for Georgia's State CDBG program. Because these figures were much higher than funds available, all budgets were reduced proportionately. The total units demanded were also reduced proportionately by the same percentages. This means that multiplying the reduced units listed for each activity by the multiplier will not yield the exact budget for the activity. Yet, this approach provides the approximate units and budgets as provided by the survey of respondents.

Activity 1

(1) Activity Name:
Acquisition/Disposition

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

Eligible NSP Use:	NSP (B), (C), (E)
CDBG Eligible Activity	24 CFR 570.201 (a)
	24 CFR 570.201 (b)

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).
Low- Moderate- and Middle Income Area Benefit (LMMA)
Low- Moderate- and Middle Income Direct Housing Benefit (LMMH)
Low- Moderate- and Middle Income Limited Clientele Benefit (LMMC)
Low- Moderate- and Middle Income Job Benefit (LMMJ)

(4) Activity Description:
Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

The acquisition/disposition activity will address the large inventories of foreclosed properties held by banks and other entities in counties that have been most affected by the foreclosure crisis. DCA will be actively involved in providing assistance to applicants and holders of foreclosed properties in order to facilitate the speedy acquisition of these properties. Most acquisitions will be done by local governments through related entities—development authorities, land banks, public housing authorities, and housing finance agencies.

Because acquisition/disposition activities are the first step in neighborhood stabilization, benefit to income-qualified persons will be indirect at this phase of the process. Still, for those activities taking place in LMMI areas, acquisition and disposition activities, to the extent it stops the deterioration of homes, yards, and neighborhoods, will benefit those LMMI people living in near-by areas.

DCA will require that a portion of all activities be used to benefit those at less than 50 percent of AMI. The financing mechanisms described at Activity 8 would be used in combination with acquired properties under this activity to provide housing benefits directly to those at 50 percent or less of AMI. This may be done through rental arrangements, lease-purchase arrangements, or sale to qualifying individuals. Most often, DCA anticipates that rental and lease-purchase arrangements will be used for those at 50 percent or less of AMI due to the limited capacity most people in this income bracket have for coping with the unexpected expenses of homeownership.

(5) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)
DCA estimates that 82 percent of the property acquisition/disposition activities will take place in approximately 28 of Georgia's 159 counties. The 28 counties where most acquisition activities are anticipated to take place are in the areas with highest need based on DCA's initial distribution of funds.

(6) Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent).

Number of housing units to be acquired:	388 (total)
50% AMI and below:	97

51% to 80% of AMI	97
80% to 120% of AMI	194

(7) Total Budget: (Include public and private components)
$45,272,498
Method: Total need was established by adding all the units that survey respondents estimated (1,763) that they could acquire and redevelop multiplied by the state's 2006 median house price ($156,800) discounted by 25 percent ($117,600). This equals a total need of $207,328,800. Because the needs identified in our survey far exceeded available funds under NSP, all amounts were adjusted downward on the basis of each activity's percentage of total need times the total available funds.

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)
Georgia Department of Community Affairs
60 Executive Park South
Atlanta, Georgia 30029
Brian Williamson, Assistant Commissioner (Direct Allocation Assistance Pool)
(404) 679-1587 (phone)
bwilliam@dca.state.ga.us
Carmen Chubb, Assistant Commissioner (Flexible Pool)
(404) 679-4837
cchubb@dca.state.ga.us

(9) Projected Start Date:
March 1, 2009

(10) Projected End Date:
February 28, 2013

(11) Specific Activity Requirements:
For acquisition activities, include:

- discount rate

  The discount rate for the acquisition of abandoned or foreclosed properties will be a minimum of 15 percent. No averaging across properties will be permitted.

For financing activities, include:

- range of interest rates
  Not applicable.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
  Not applicable.
- duration or term of assistance;
  Not applicable.
- a description of how the design of the activity will ensure continued affordability.
  Not applicable.

Activity 2

(1) Activity Name:
Clearance

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

Eligible NSP Use:	NSP (D)
CDBG Eligible Activity	24 CFR 570.201 (d)

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).
Low- Moderate- and Middle Income Area Benefit (LMMA)

(4) Activity Description:
Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

The clearance activity is directed toward vacant, dilapidated structures that, especially in concentrated areas and in combination with abandoned and foreclosed properties, cause significant neighborhood destabilization. The activity will benefit income-qualified people on an area basis. In other words, the activity will have to take place in LMMI areas as defined by the geographic boundaries at the following web site: http://www.dca.state.ga.us/communities/CDBG/programs/downloads/NSP_LMMH_Map.pdf. It is possible that clearance activities will be a prelude to direct benefit to those below 50% of AMI by building new residential structures on newly cleared property.

DCA will require that a portion of all activities be used to benefit those at less than 50 percent of AMI. The financing mechanisms described at Activity 8 will be used in combination with cleared properties under this activity to provide housing benefits directly to those at 50 percent or less of AMI. This may be done through rental arrangements, lease-purchase arrangements, or sale to qualifying individuals. Most often, DCA anticipates that rental and lease-purchase arrangements will be used for those at 50 percent or less of AMI due to the limited capacity most people in this income bracket have for coping with the unexpected expenses of homeownership.

(5) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

DCA estimates that 58 percent of the clearance activities will take place in the same counties noted above in Activity 1. This is a significantly reduced percentage from the acquisition/disposition activities that will take place in the same 28 counties. DCA observes that this is due to the unique needs of rural areas where code enforcement is more likely to be less rigorous than in metropolitan areas. Less rigorous code enforcement leads to a greater percentage (and sometimes number) of dilapidated houses (no longer feasible to rehabilitate) than in metropolitan areas. Three additional counties other than the 28 have stated that a significant need exists for this activity.

(6). Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Number of housing units to be cleared:	349
50% AMI and below:	87
51% to 80% of AMI	87
80% to 120% of AMI	174

(7) Total Budget: (Include public and private components)
$2,768,816
Method: Total need was established by adding all the units that survey respondents estimated (1,585) that they could acquire and demolish multiplied by an average demolition cost of $8,000 per unit. This equals a total need of $12,680,000.
Because the needs identified in our survey far exceeded available funds under NSP, all amounts were adjusted downward on the basis of each activity's percentage of total need times the total available funds less administration.

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)
Georgia Department of Community Affairs
60 Executive Park South
Atlanta, Georgia 30029
Brian Williamson, Assistant Commissioner (Direct Allocation Assistance Pool)
(404) 679-1587 (phone)
bwilliam@dca.state.ga.us
Carmen Chubb, Assistant Commissioner (Flexible Pool)
(404) 679-4837
cchubb@dca.state.ga.us

(9) Projected Start Date:
March 1, 2009

(10) Projected End Date:
February 28, 2013

(11) Specific Activity Requirements:
For acquisition activities, include:

- discount rate
  Not applicable.

For financing activities, include:

- range of interest rates
  Not applicable.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
  Not applicable.
- duration or term of assistance;
  Not applicable.
- a description of how the design of the activity will ensure continued affordability.
  Not applicable.

Activity 3

(1) Activity Name:
Rehabilitation

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

Eligible NSP Use:	NSP (B), (E)
CDBG Eligible Activity	24 CFR 570.202

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).
Low- Moderate- and Middle Income Direct Housing Benefit (LMMH)
Low- Moderate- and Middle Income Area Benefit (LMMA)

(4) Activity Description:
Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

The rehabilitation activity is directed toward substandard structures that, especially in concentrated areas and in combination with abandoned and foreclosed properties, cause significant neighborhood destabilization. The activity will benefit income-qualified people on a direct basis and on an area basis. In other words, the activity will most often take place in LMMI areas as defined by the geographic boundaries described in Activity 2, and the activity must benefit LMMI people when the units that have been rehabilitated are occupied. Even though rehabilitation may be an interim strategy, i.e., preparing property for eventual resale or rental, the ultimate use of the property must be income-qualified individuals.

DCA will require that a portion of all activities be used to benefit those at less than 50 percent of AMI. The financing mechanisms described at Activity 8 would be used in combination with rehabilitated properties under this activity to provide housing benefits directly to those at 50 percent or less of AMI. For rehabilitating properties in "areas of greatest need", meeting the benefit requirements to those at 50 percent or less of AMI will be possible due to the high number of people on fixed incomes that live in substandard dwellings.

(5) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

DCA estimates that 74 percent of the rehabilitation activities will take place in the 28 counties noted above in Activity 1. This is a reduced percentage from the acquisition/disposition activities that will take place in the same list of counties. DCA observes that this may be due to the unique needs of rural areas where code enforcement is more likely to be less rigorous than in metropolitan areas. Less rigorous code enforcement leads to a greater percentage (and sometimes number) of substandard houses (feasible to rehabilitate) than in metropolitan areas. In addition to the 28 counties in Activity 1, three additional counties other than the 29 have stated that a significant need exists for this activity.

(6) Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent).

Number of housing units to be rehabilitated:	214
50% AMI and below:	53
51% to 80% of AMI	53
80% to 120% of AMI	107

(7) Total Budget: (Include public and private components)
$3,395,948
Method: Total need was established by adding all the units that survey respondents estimated (972) that they could rehabilitate by an average rehabilitation cost of $16,000 per unit. This equals a total need of $15,552,000.00. Because the needs identified in our survey far exceeded available funds under NSP, all amounts were adjusted downward on the basis of each activity's percentage of total need times the total available funds less administration.

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)
Georgia Department of Community Affairs
60 Executive Park South
Atlanta, Georgia 30029
Brian Williamson, Assistant Commissioner (Direct Allocation Assistance Pool)
(404) 679-1587 (phone)
bwilliam@dca.state.ga.us
Carmen Chubb, Assistant Commissioner (Flexible Pool)
(404) 679-4837
cchubb@dca.state.ga.us

(9) Projected Start Date:
March 1, 2009

(10) Projected End Date:
February 28, 2013

(11) Specific Activity Requirements:
For acquisition activities, include:

- discount rate
  Not applicable.

For financing activities, include:

- range of interest rates
  Not applicable.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
  The HOME affordability standards will be used for both rental and homeownership.
- duration or term of assistance;
  Not applicable.
- a description of how the design of the activity will ensure continued affordability.

Both Assistant Commissioners in charge of the two Pools that will be used to make allocation awards have as part of their current responsibilities stewardship of federal HOME funds. DCA is a Participating Jurisdiction under the HOME program and routinely monitors grantees for compliance with the HOME rules. The same monitoring protocols currently used by DCA will be used for recipients of NSP funds. DCA also has in place the necessary sample loan, promissory note, loan agreement and deeds to secure debt in order to enforce affordability requirements. DCA will require recipients of NSP funds to use DCA standard documents or their equivalent.

Activity 4

(1) Activity Name:
New Construction

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

Eligible NSP Use:	NSP (E)
CDBG Eligible Activity	24 CFR 570.201 (n)

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).
Low- Moderate- and Middle Income Area Benefit (LMMA)
Low- Moderate- and Middle Income Direct Housing Benefit (LMMH)

(4) Activity Description:
Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

The new construction activity is directed toward cleared, vacant property (either currently existing or cleared as a result of Activity 2) that can be redeveloped in order to provide affordable housing in areas affected by the foreclosure crisis. Before undertaking this activity, respondents to the Notices of Funds Availability (NOFAs) for the two Pools of NSP funds will be asked to provide justification for the new construction activity. This activity will add new inventory to an already over-supplied housing market. DCA will ascertain whether new construction will only exacerbate an existing problem or provide much needed affordable housing. Respondents will have to be specific and segment their local housing market in order to provide DCA with the necessary understanding of local conditions that will allow DCA the opportunity to adequately assess a local strategy that includes new construction.

The activity will benefit income-qualified people on a direct basis and on an area basis. In other words, the activity will most often take place in LMMI areas as defined by the geographic boundaries described in Activity 2, and the activity must benefit LMMI people when the units that have been constructed are occupied.

DCA will require that a portion of all activities be used to benefit those at less than 50 percent of AMI. We anticipate that much of the new construction that will take place under this activity will be for new multi-family housing undertaken by the Georgia Housing and Finance Authority (GHFA) through its housing tax credit programs. This will allow the private sector to assist in determining what projects might best be suited to existing housing markets and provide a way to serve those at 50 percent of AMI with standard, affordable rental properties.

(5) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

DCA estimates that 72 percent of the new construction activities will take place in the 28 counties noted in Activity 1. This is a reduced percentage from the acquisition/disposition activities that will take place in the same list of counties. DCA observes that this may be due to the unique needs of rural areas where code enforcement is more likely to be less rigorous than in metropolitan areas. Less rigorous code enforcement leads to a greater percentage (and sometimes number) of dilapidated houses (not feasible to rehabilitate) than in metropolitan areas. These dilapidated houses in the more rural areas are leading many communities to consider clearance activities in combination with new construction in order to arrest blight and provide the opportunity for green space or redevelopment using new construction activities. In addition to the 28 counties noted in Activity 1, seven counties are likely to need new construction activities in order to stabilize neighborhoods.

(6) Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent).

Number of housing units to be constructed:	189
50% AMI and below:	47
51% to 80% of AMI	47
80% to 120% of AMI	95

(7) Total Budget: (Include public and private components)
$14,084,276
Method: Total need was established by adding all the units that survey respondents estimated (860) that they could redevelop on vacant or demolished properties by an average reconstruction cost of $75,000 per unit. This equals a total need of $64,500,000. Because the needs identified in our survey far exceeded available funds under NSP, all amounts were adjusted downward on the basis of each activity's percentage of total need times the total available funds less administration.

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)
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bwilliam@dca.state.ga.us
Carmen Chubb, Assistant Commissioner (Flexible Pool)
(404) 679-4837
cchubb@dca.state.ga.us

(9) Projected Start Date:
March 1, 2009

(10) Projected End Date:
February 28, 2013

(11) Specific Activity Requirements:
For acquisition activities, include:

- discount rate
  Not applicable.

For financing activities, include:

- range of interest rates
  Not applicable.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
  The HOME affordability standards will be used for both rental and homeownership.
- duration or term of assistance;
  Not applicable.
- a description of how the design of the activity will ensure continued affordability.

Both Assistant Commissioners in charge of the two Pools that will be used to make allocation awards have as part of their current responsibilities stewardship of federal HOME funds. DCA is a Participating Jurisdiction under the HOME program and routinely monitors grantees for compliance with the HOME rules. The same monitoring protocols currently used by DCA will be used for recipients of NSP funds. DCA also has in place the necessary sample loan, promissory note, loan agreement and deeds to secure debt in order to enforce affordability requirements. DCA will require recipients of NSP funds to use DCA standard documents or their equivalent.

Activity 5

(1) Activity Name:
Public Facilities and Improvements

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)
Eligible NSP Use: NSP (E)
CDBG Eligible Activity 24 CFR 570.201 (c)

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).
Low- Moderate- and Middle Income Area Benefit (LMMA)
Low- Moderate- and Middle Income Direct Housing Benefit (LMMH)
Low- Moderate- and Middle Income Limited Clientele Benefit (LMMC)
Low- Moderate- and Middle Income Job Benefit (LMMJ)

(4) Activity Description:
Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

Generally, public facilities will be used to support other activities described herein. DCA will not allow public facilities to be an eligible activity except in support of other activities that are designed to stabilize neighborhoods affected by the foreclosure crisis. For example, additional infrastructure may be needed in order to redevelop vacant, abandoned or foreclosed properties in order to make them saleable in the market place. Also, permanent and transitional housing construction for special needs populations may be needed in order to assist in the neighborhood stabilization process. Permanent housing construction, such as group homes, will be encouraged in order to meet HERA's requirement that 25 percent of total funds be used to providing housing opportunities for those at 50 percent or less of AMI.

(5) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

At this time, DCA has not assessed the need for public facilities improvements in the neighborhoods that will be targeted with NSP funds except as outlined below in Activity 5, Item 7. As described in other previous activities, DCA expects that two-thirds or more will take place in the communities described in Activity 1.

(6) Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent).
The performance measures listed here are a rough estimate based on the paragraph below (Activity 5, Item 7). The actual number will depend greatly on the neighborhoods where public facilities are deployed and on the density of units that will be directly supported or on the density

of units assisted under this activity (e.g., infrastructure that supports multi-family housing or a group home will yield more units than facilities that support less dense development).

Number of housing units to be supported:	19
50% AMI and below:	5
51% to 80% of AMI	5
80% to 120% of AMI	9

(7) Total Budget: (Include public and private components)
$1,091,804
Method: Communities were *not* surveyed for number and types of public facilities that might be needed in order to stabilize neighborhoods affected by foreclosures. Total need was established by estimating that approximately 20 percent of respondents (10) would find public facilities a useful adjunct to their direct activities. In the state's experience, significant public facilities (water, sewer, street, drainage, buildings for limited clientele populations, etc.) can be added to a small neighborhood for an approximate cost of $500,000 (especially when combined by with other leveraged funds). This equals a total need of $5,000,000. Because the needs identified far exceed available funds under NSP, all amounts were adjusted downward on the basis of each activity's percentage of total need times the total available funds less administration.

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)
Georgia Department of Community Affairs
60 Executive Park South
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(404) 679-4837
cchubb@dca.state.ga.us
(9) Projected Start Date:
March 1, 2009

(10) Projected End Date:
February 28, 2013

(11) Specific Activity Requirements:
For acquisition activities, include:

- discount rate
  Not applicable.

For financing activities, include:

- range of interest rates
  Not applicable.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
  Not applicable.
- duration or term of assistance;
  Not applicable.
- a description of how the design of the activity will ensure continued affordability.
  Not applicable.

Activity 6

(1) Activity Name:
Public Services for Housing Counseling

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

Eligible NSP Use:	NSP (A), (B), (E)
CDBG Eligible Activity	24 CFR 570.201 (e)

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).
Low- Moderate- and Middle Income Direct Housing Benefit (LMMH)

(4) Activity Description:
Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.
Housing counseling will be used whenever required by HERA and will be provided by HUD certified housing counseling agencies.

(5) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)
DCA estimates that 82 percent of the housing counseling activities will take place in the counties listed in the 28 counties noted in Activity 1.

(6) Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent).

Number of families to be assisted:	388 (total)
50% AMI and below:	97
51% to 80% of AMI	97
80% to 120% of AMI	194

(7) Total Budget: (Include public and private components)
$76,994
Method: Total need was established by adding all the units that survey respondents estimated (1,763) that they can acquire and redevelop by an average housing counseling cost of $200 per unit/family. This equals a total need of $352,600. Because the needs identified in our survey far exceeded available funds under NSP, all amounts were adjusted downward on the basis of each activity's percentage of total need times the total available funds less administration.

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)
Georgia Department of Community Affairs
60 Executive Park South
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(404) 679-4837

cchubb@dca.state.ga.us

(9) Projected Start Date:
March 1, 2009

(10) Projected End Date:
February 28, 2013

(11) Specific Activity Requirements:
For acquisition activities, include:

- discount rate
  Not applicable.

For financing activities, include:

- range of interest rates
  Not applicable.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
  Not applicable.
- duration or term of assistance;
  Not applicable.
- a description of how the design of the activity will ensure continued affordability.
  Not applicable.

Activity 7

(1) Activity Name:
Relocation

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

Eligible NSP Use:	NSP (B), (E)
CDBG Eligible Activity	24 CFR 570.201 (i)

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).
Low- Moderate- and Middle Income Area Benefit (LMMA)
Low- Moderate- and Middle Income Direct Housing Benefit (LMMH)

(4) Activity Description:
Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.
DCA and its sub-recipients will follow the Uniform Act as applicable.

(5) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)
See the location description under Activity 2 (Clearance). DCA will be asking respondents to avoid relocation activities when possible, but, in those areas of the state where significant clearance activities are to take place, some relocation may be necessary.

(6) Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent).

Number of families assisted:	35 (total)
50% AMI and below:	9
51% to 80% of AMI	9
80% to 120% of AMI	17

(7) Total Budget: (Include public and private components)
$761,424
Method: Total need was established by adding all the units that survey respondents estimated (1,585) that they can acquire and demolish by ten percent by an average relocation cost of $22,000 per unit. Ten percent was chosen because the state estimates that most grantees will try to avoid relocation costs and will be dealing instead with vacant properties. This equals a total need of $3,487,000. Because the needs identified in our survey far exceed available funds under NSP, all amounts were adjusted downward on the basis of each activity's percentage of total need times the total available funds less administration.

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)
Georgia Department of Community Affairs
60 Executive Park South
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(404) 679-1587 (phone)
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(404) 679-4837
cchubb@dca.state.ga.us

(9) Projected Start Date:
March 1, 2009

(10) Projected End Date:
February 28, 2013

(11) Specific Activity Requirements:
For acquisition activities, include:

- discount rate
  Not applicable.

For financing activities, include:

- range of interest rates
  Not applicable.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
  Not applicable.
- duration or term of assistance;
  Not applicable.
- a description of how the design of the activity will ensure continued affordability.
  Not applicable.

Activity 8

(1) Activity Name:
Financing Mechanisms

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

Eligible NSP Use:	NSP (A)
CDBG Eligible Activity	24 CFR 570.206

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).
Low- Moderate- and Middle Income Area Benefit (LMMA)
Low- Moderate- and Middle Income Direct Housing Benefit (LMMH)
Low- Moderate- and Middle Income Limited Clientele Benefit (LMMC)
Low- Moderate- and Middle Income Job Benefit (LMMJ)

(4) Activity Description:
Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

See the HUD Notice for the NSP program (Docket No. FR-5255-N-01) at II.(H.)(3.a.) that shows the chart of NSP-eligible uses and their correlated activities. DCA will be relying on this regulation to define and carryout financing mechanisms under NSP. Specifically, we will be relying on the following language in the chart regarding financing mechanisms:

- As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206.
- Also, the *eligible activities listed below* to the extent financing mechanisms are used carry them out [emphasis added].

DCA's understanding of this language is that financing mechanisms are eligible to the extent needed to carry out other eligible activities.

On a preliminary basis, DCA has designed this activity around a downpayment assistance activity of $5,000 per eligible applicant. The design was used to estimate a budget amount rather than to limit the types of eligible financing mechanisms that might be available. Like public facilities, this activity will be used to assist in the process of moving underused, vacant, and unproductive residential properties back to a productive status while benefitting income-qualified persons.

(5) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)
See other activities listed herein for location information.

(6) Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent).

Number of housing units to be financed:	388
50% AMI and below:	97
51% to 80% of AMI	97
80% to 120% of AMI	194

(7) Total Budget: (Include public and private components)

$1,924,851
Method: Total need was established by adding all the units that survey respondents estimated (1,763) that they can acquire and redevelop by an average downpayment assistant amount per unit/family of $5,000. This equals a total need of $8,815,000. Because the needs identified in our survey far exceeded available funds under NSP, all amounts were adjusted downward on the basis of each activity's percentage of total need times the total available funds less administration.

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)
Georgia Department of Community Affairs
60 Executive Park South
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(404) 679-4837
cchubb@dca.state.ga.us

(9) Projected Start Date:
March 1, 2009

(10) Projected End Date:
February 28, 2013

(11) Specific Activity Requirements:
For acquisition activities, include:

- discount rate
  Not applicable.

For financing activities, include:

- range of interest rates

Without precluding other possibilities, most financing mechanisms will be in the form of downpayment assistance to income-qualified families. Sale of properties purchased with NSP funds will need to be subsidized in order for them to return to productive use in a market that is saturated with residential properties. Favorable financing mechanisms will be used to make properties both more affordable and more attractive to potential homebuyers. The current downpayment assistance programs at DCA (including those operated by GHFA) do not charge interest on the assistance. The programs take the form of deferred payment loans (DPLs) that are either forgiven over the HOME period of affordability or are recaptured upon sale, regardless of the period of affordability. DCA expects that respondents to its NOFAs will use this model unless compelling local conditions dictate otherwise.

While downpayment assistance is meant to deal with single family properties that will be returned to homeownership status, respondents may develop other mechanisms to deal with the needs of renters. These may include lease-to-purchase options for single family properties and developer subsidies to augment single-site or scattered-site multi-family development.
For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
  Not applicable.
- duration or term of assistance;
  Not applicable.

- a description of how the design of the activity will ensure continued affordability.
  Not applicable.

Activity 9

(1) Activity Name:
Administration

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

Eligible NSP Use:	NSP (A), (B), (C), (D) (E)
CDBG Eligible Activity	24 CFR 570.489 (a)—As modified by HERA and the following HUD Notice: Docket No. FR-5255-N-01.

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).
Low- Moderate- and Middle Income Area Benefit (LMMA)
Low- Moderate- and Middle Income Direct Housing Benefit (LMMH)
Low- Moderate- and Middle Income Limited Clientele Benefit (LMMC)
Low- Moderate- and Middle Income Job Benefit (LMMJ)

(4) Activity Description:
Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.
Not applicable.

(5) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)
Not applicable.

(6) Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent).
Not applicable.

(7) Total Budget: (Include public and private components)
The State of Georgia will reserve all 10 percent of its allowable administration costs for the Administration Activity. This amount will be .10 x $77,085,125 or $7,708,513. DCA will reserve 4 percent of the state allocation for state administration or .04 x $77,085,125 or $3,083,405. DCA will reserve 6 percent of the state allocation for local administration or .06 x $77,085,125 or $4,625,108.

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)
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Brian Williamson, Assistant Commissioner (Direct Allocation Assistance Pool)
(404) 679-1587 (phone)
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(404) 679-4837
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(9) Projected Start Date:
September 29, 2008

(10) Projected End Date:
February 28, 2013

(11) Specific Activity Requirements:
For acquisition activities, include:

- discount rate
  Not applicable.

For financing activities, include:

- range of interest rates
  Not applicable.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
  Not applicable.
- duration or term of assistance;
  Not applicable.
- a description of how the design of the activity will ensure continued affordability.
  Not applicable.

Appendix 1 (Also see Appendix 1a published 12/15/2008)

Methodology for Allocation of $77,085,125 of Emergency Assistance for the Redevelopment of Abandoned and Foreclosed Homes

Through the methodology described below, DCA has determined the State's areas of greatest need for all jurisdictions through a calculation that uses the data elements required in Section 2301(c)(2) of HERA in addition to several others. Due to limited availability of data, the methodology calculates need on a county basis and ranks all counties based on the described methodology. Within each county, funds are allocated among cities by the ratio of housing units. As detailed below, several of the variables are also predictive of future foreclosure and abandonment problems.

In accordance with HUD guidelines, the needs of both NSP entitlement and non-entitlement local governments are considered. Entitlement jurisdictions that have had their needs measured by the federal formula and received a direct allocation through that process will have any subsequent state need and potential formula allocations offset by the amount of any direct federal allocation already received.

The state formula incorporates several variables including the number and percentage of home foreclosures, number and percentage of sub-prime loans, residential vacancy rate, and number of households with less than 50 percent of area median income that have a high housing cost burden. Each is discussed in detail below.

While HUD's methodology for making sub-state allocations used a model to estimate the foreclosure rate for each given jurisdiction, DCA's approach is based on actual foreclosure data provided by RealtyTrac. RealtyTrac makes its data available in the form of monthly foreclosure activity and foreclosure inventory reports. Like HUD, DCA elected to use a measure of "foreclosure starts" over a period of time rather than properties "currently in foreclosure" to capture the volume of foreclosure activity. DCA has purchased the monthly activity reports starting with January 2008 through September 2008, which provide data on all 159 Georgia Counties. The reports include data on all phases of the foreclosure process. For Georgia, the most widely available and reported measures are the numbers of Notices of Trustees' Sale and Real Estate Owned (REO) properties. The "Notices of Trustees' Sale" is defined as assignment of a property for disposal through sale or auction to a trustee. REO property is the consequence of attempts to dispose of properties in default that have failed in obtaining a sale, short sale, or auction sale and the property ownership goes to the investor or lender.[1] The Foreclosure Rate was calculated by dividing the total number of foreclosure starts by the total number of housing units obtained from the 2007 U.S. Census estimates.

Federal Reserve Home Mortgage Disclosure Act (HMDA) provides data on numerous indicators relating to mortgage lending. The variables DCA chose to use were the number of conventional[2] mortgage loans by sub-prime lenders[3], the percentage of mortgage loans by sub-prime lenders, and the number of households with less than 50 percent of the HUD area median income with housing cost burdens[4], where housing cost burden is defined as paying more than 30 percent of income on housing

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[1] RealtyTrac definitions.
[2] Conventional refers to a loan not insured by a government program, like FHA or VA.
[3] Subprime lenders are those who HUD has identified as specializing in subprime mortgage lending, but they may also do prime lending. While it is not possible to determine from HMDA whether an individual loan is subprime, this indicator can be used to approximate the level of subprime lending.
[4] From HUD's Comprehensive Housing Affordability Strategy special tabulation (U.S. Census Bureau).

costs. DCA used the most recent data available for both of these indicators, which were 2004 for the subprime loans and 2000 for the measure of housing affordability.

Vacancy rate data were obtained from a June 2008 extract of USPS data on residential addresses vacant for 90 days or longer.

Note that 75 percent of the funds are allocated based on the number and percent of foreclosures, 15 percent for number and percent of subprime loans, 5 percent for housing affordability, and 5 percent for vacancy rate. Using the variables just described and assigning allocations based on the weights described above and detailed below, DCA is using the following formula:

Jurisdiction Allocation= Appropriation *

$$\{ \; .05 * \frac{\text{Jurisdiction Notices of Trustees' Sale}}{\text{Georgia total number of Trustees' Sale}} +$$

$$.65* \frac{\text{Jurisdiction Real Estate Owned}}{\text{Georgia total Real Estate Owned}} +$$

$$.05* \frac{\text{Jurisdiction Foreclosure Rate}}{\text{Georgia Foreclosure Rate}} +$$

$$.10* \frac{\text{Jurisdiction Number of Subprime Loans}}{\text{Georgia Total Subprime Loans}} +$$

$$.05* \frac{\text{Jurisdiction Percentage of Subprime Loans}}{\text{Georgia Percentage of Subprime Loans}} +$$

$$.05* \frac{\text{Jurisdiction Vacancy Rate}}{\text{Georgia Vacancy Rate}} +$$

$$.05* \frac{\text{HHs w <50\% income allocation}}{\text{Georgia HHs w <50\% income allocation}} \; \}$$

As a numerical example, Rockdale County allocation was calculated in the following way:

Rockdale County allocation= $61,384,245 *

$$\{ \; [.05 * \frac{940}{24{,}057}] = \$119{,}926+$$

$$[.65 * \frac{475}{9{,}189}] = \$2{,}062{,}508+$$

$$[.05 * \frac{4.5\%}{113.23\%}] = \$123{,}068+$$

Appendix 1 (Also see Appendix 1a published 12/15/2008)

$$\left[.10 * \frac{783}{18{,}544}\right] = \$259{,}188+$$

$$\left[.05* \frac{29.6\%}{2{,}041\%}\right] = \$44{,}523+$$

$$\left[.05* \frac{2.9\%}{836\%}\right] = \$10{,}497+$$

$$\left[.5* \frac{2{,}920}{257{,}314}\right] = \$34{,}829 \quad \}=$$

= $2,654,539 in total allocation for Rockdale County

To insure all areas of greatest need were considered and to insure a fair comparison between NSP entitlements that have already received funding from HUD and non-entitlements, NSP entitlements were assessed based on the total grant amount to Georgia ($153,085,125)[5]. Where an NSP entitlement received a federal allocation which was less than amount shown by the state formula, the NSP entitlement received the additional offset state amount. Non NSP entitlement jurisdictions received allocations based on the state allocation ($77,085,125 less 4% for state administration) less the amount additionally allocated to the NSP entitlements. Counties with an allocation of less than $500,000 have their allocations rolled into the flexible pool allocation.

To prorate the need and potential allocations among cities within a county, the State used the ratio of housing units[6] within each jurisdiction[7]. Although American Community Survey (ACS) produces housing unit estimates for a variety of geographies, many Georgia cities are excluded from the survey. Using the 2000 U.S. Census of Population and Housing, DCA estimated the number of housing units in jurisdictions for which 2007 ACS estimates were not available by applying a ratio of City/County housing units in 2000 to 2007 estimates.

Local jurisdictions should understand that DCA's encourages counties and cities to file joint applications within a particular county and freely collaborate on their NSP proposals to alleviate areas of highest need, no matter the jurisdiction of the need. DCA will allow such joint undertakings to spend their combined allocations within either jurisdiction; however, if for some reason cities and counties are unable to reach collaborative agreements on the use of their funds, DCA will use the afore-mentioned methodology to make allocations.

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[5] In the first step, an assessment was made for entitlements that received direct NSP grants as well as those jurisdictions that did not receive direct NSP grants.

[6] A housing unit is defined by the U.S. Census as a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied (or if vacant, is intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live and eat separately from any other persons in the building and which have direct access from the outside of the building or through a common hall.

[7] 2007 Housing Unit Estimates and 2007 American Community Survey Estimates, U.S. Census Bureau.

ADDITIONAL EXPLANATION OF NSP ALLOCATION METHODOLOGY
(Update published 12/15/2009)

1. City of Savannah.

As one of HUD Entitlement communities, the City of Savannah received a direct grant in the amount of $2,038,631 derived by the formula developed by HUD. It was the only city in the State of Georgia to receive a direct allocation that was not within an entitlement county or consolidated government. Given Savannah's unique situation, DCA made a decision to determine its need as a separate jurisdiction included in the formula rather than to follow the method of prorating potential allocations among cities within a county described separately in the action plan. As such, DCA formula allocates $1,051,922 to the City of Savannah. This is below HUD's initial allocation, therefore the City of Savannah will not be entitled to any additional direct funding from the State. However, it will be allowed to compete for additional funds available under any reallocation (providing it meets the criteria outlined in Section B(5)(b)(*i*) of the Action Plan).

2. Re-allocations.

Where an NSP direct grantee chooses not to apply for its allocation, the funds it was entitled to apply for will be re-allocated in an amount proportional to their initial allocation with no offset provision (as described in the initial allocation methodology) providing the jurisdiction meets the criteria outlined in Section B(5)(b)(*i*) and(*ii*) of the Action Plan .

APPENDIX 2 Revised - Published 12/15/2008

STATE OF GEORGIA NSP NEEDS ANALYSIS AND POTENTIAL ALLOCATIONS

Note: The NSP potential allocations represent the allocations for all jurisdictions within the County-- see the Appendix 1 Methodology for prorations between Cities & Counties.

Allocation amount to determine need

$ 153,037,451

		NTS	REO	(NTS+REO)/HU	SubPrime	% SubPrime	VacancyRate	HHs w <50% of area income
Weight >		5%	65%	5%	10%	5%	5%	5%
Allocation Amt >		$ 7,651,873	$ 99,474,343	$ 7,651,873	$ 15,303,745	$ 7,651,873	$ 7,651,873	$ 7,651,873

RAW NEEDS DATA

CountyName	HousingUnits	NTS	REO	(NTS+REO)/HU	SubPrime	% SubPrime	VacancyRate	HHs w <50% of area income	Total $	HUD Allocated	State Allocation Amount
Clayton	105,978	3,466	2,062	5.2%	2,753	37.0%	4.5%	14,030	$ 9,659,554	$ 9,732,126	$ -
Cobb	278,037	4,657	1,698	2.3%	3,275	14.6%	2.3%	24,225	$ 8,582,355	$ 6,889,134	**$ 1,693,221**
Dekalb	306,106	7,394	3,721	3.6%	5,120	25.7%	3.2%	38,740	$ 17,354,241	$ 18,545,013	$ -
Fulton	431,601	11,517	6,822	4.2%	7,933	21.3%	4.6%	56,304	$ 30,546,480	$ 22,649,492	**$ 7,896,987**
Gwinnett	283,669	5,802	2,808	3.0%	5,459	18.7%	1.5%	19,294	$ 13,512,054	$ 10,507,827	**$ 3,004,227**
Muscogee	83,031	682	432	1.3%	488	17.4%	4.6%	10,508	$ 2,200,710	$ 3,117,039	$ -
Richmond	86,890	1,059	489	1.8%	341	16.4%	6.0%	13,621	$ 2,496,104	$ 2,473,064	**$ 23,039**
Savannah*	59,705	570	152	0.6%	367	5.9%	2.8%	11,966	$ 1,051,922	$ 2,038,631	$ -
											$ 12,617,475

Remaining State Allocation

$ 61,384,245

	BALANCE	
	$ 77,085,125	< State allocation
	$ (12,617,475)	< Addt'l Entitlements allocation
	$ (3,083,405)	< Admin costs
	$ 61,384,245	< Remaining State allocation

		NTS	REO	(NTS+REO)/HU	SubPrime	% SubPrime	VacancyRate	HHs w <50% of area income
Allocation Amt >		$ 3,069,212	$ 39,899,760	$ 3,069,212	$ 6,138,425	$ 3,069,212	$ 3,069,212	$ 3,069,212

RAW NEEDS DATA

GEORGIA

CountyName	HousingUnits	NTS	REO	(NTS+REO)/HU	SubPrime	% SubPrime	VacancyRate	HHs w <50% of area income	State Allocation Amount	BALANCE
Henry	71,280	2473	1149	5.1%	1,854	22.6%	2.5%	3,760	**$ 6,251,265**	**$ 55,132,980**
Bibb	71,569	1029	797	2.6%	678	25.4%	7.3%	10,736	**$ 4,151,543**	**$ 50,981,438**
Douglas	48,516	1387	688	4.3%	1,103	25.8%	2.8%	4,162	**$ 3,809,526**	**$ 47,171,912**
Cherokee	78,925	1323	583	2.4%	942	11.0%	1.8%	4,536	**$ 3,210,980**	**$ 43,960,932**
Rockdale	31,166	940	475	4.5%	783	29.6%	2.9%	2,920	**$ 2,700,020**	**$ 41,260,912**
Carroll	45,388	848	493	3.0%	405	17.5%	4.6%	5,889	**$ 2,622,059**	**$ 38,638,852**
Paulding	50,328	888	443	2.6%	989	17.8%	2.5%	3,025	**$ 2,552,129**	**$ 36,086,723**
Hall	62,798	978	404	2.2%	553	12.9%	2.7%	6,061	**$ 2,263,680**	**$ 33,823,043**
Newton	36,964	117	379	1.3%	1,044	27.7%	3.1%	3,170	**$ 2,170,830**	**$ 31,652,213**
Coweta	45,981	806	390	2.6%	438	12.3%	2.6%	3,989	**$ 2,124,021**	**$ 29,528,192**
Forsyth	60,140	619	348	1.6%	565	7.7%	1.5%	2,869	**$ 1,905,089**	**$ 27,623,103**
Walton	31,809	717	254	3.1%	393	16.8%	2.8%	3,073	**$ 1,505,104**	**$ 26,117,999**
Spalding	26,284	388	260	2.5%	303	24.0%	4.8%	4,279	**$ 1,475,702**	**$ 24,642,297**
Barrow	25,547	544	228	3.0%	544	22.4%	2.8%	2,353	**$ 1,417,240**	**$ 23,225,056**
Fayette	38,946	594	183	2.0%	532	16.8%	1.7%	2,171	**$ 1,178,544**	**$ 22,046,513**
Bartow	36,998	547	192	2.0%	344	14.3%	3.0%	3,601	**$ 1,167,458**	**$ 20,879,054**

CountyName	HousingUnits	NTS	REO	(NTS+REO)/HU	SubPrime	% SubPrime	VacancyRate	HHs w <50% of area income	Total $	HUD Allocated	State Allocation Amount	
Chatham**	53,545	512	137	0.6%	527	8.5%	0.5%	3,818			**$ 926,308**	**$ 19,952,747**
Dougherty	41,607	220	126	0.8%	187	16.6%	4.0%	7,243			**$ 801,214**	**$ 19,151,533**
Jackson	23,572	328	104	1.8%	310	15.8%	3.6%	2,158			**$ 720,642**	**$ 18,430,891**
Columbia	42,894	357	100	1.1%	206	7.4%	2.2%	2,247			**$ 634,162**	**$ 17,796,729**
Houston	56,581	602	65	1.2%	385	13.8%	3.4%	4,878			**$ 622,359**	**$ 17,174,371**
Polk	16,923	221	89	1.8%	65	15.8%	2.9%	1,970			**$ 552,909**	**$ 16,621,462**
Catoosa	26,037	231	77	1.2%	212	17.3%	2.8%	2,387			**$ 540,296**	**$ 16,081,166**
Effingham	18,865	133	83	1.1%	213	16.1%	3.0%	1,351			**$ 539,183**	**$ 15,541,983**
Gordon	20,919	210	81	1.4%	83	10.8%	3.9%	1,855			**$ 504,787**	**$ 15,037,197**
Haralson	12,037	23	76	0.8%	43	10.0%	6.8%	1,435			**$ 433,460**	**$ 14,603,737**
Habersham	17,598	127	67	1.1%	62	9.7%	4.4%	1,605			**$ 414,382**	**$ 14,189,354**
Gilmer	16,354	145	65	1.3%	46	7.0%	7.6%	1,046			**$ 408,164**	**$ 13,781,191**
Clarke	49,962	339	18	0.7%	294	12.5%	2.9%	10,764			**$ 406,624**	**$ 13,374,567**
Pickens	13,796	127	46	1.3%	79	10.9%	2.5%	1,288			**$ 322,369**	**$ 13,052,198**
Dawson	9,855	85	41	1.3%	107	17.4%	5.8%	684			**$ 319,357**	**$ 12,732,841**
Walker	28,456	368	16	1.3%	221	20.0%	5.0%	3,106			**$ 317,686**	**$ 12,415,155**
Mcduffie	9,301	42	48	1.0%	21	12.7%	7.3%	1,277			**$ 312,761**	**$ 12,102,394**
Whitfield	35,167	407	25	1.2%	127	8.6%	4.5%	3,239			**$ 310,054**	**$ 11,792,340**
White	11,906	77	46	1.0%	44	8.5%	7.6%	816			**$ 307,177**	**$ 11,485,163**
Lumpkin	11,101	70	42	1.0%	48	9.4%	6.4%	1,028			**$ 289,014**	**$ 11,196,148**
Floyd	39,903	382	13	1.0%	126	11.3%	5.3%	4,726			**$ 272,561**	**$ 10,923,588**
Jasper	6,114	82	36	1.9%	33	14.3%	2.4%	585			**$ 271,314**	**$ 10,652,273**
Troup	26,955	259	10	1.0%	204	22.9%	4.7%	3,395			**$ 268,293**	**$ 10,383,980**
Mitchell	9,334	11	35	0.5%	33	25.4%	5.0%	1,484			**$ 255,811**	**$ 10,128,169**
Stephens	12,381	51	36	0.7%	21	8.1%	4.9%	1,380			**$ 239,258**	**$ 9,888,912**
Glynn	38,169	198	8	0.5%	219	10.5%	5.2%	4,237			**$ 237,759**	**$ 9,651,152**
Franklin	9,549	61	29	0.9%	35	13.8%	7.1%	1,045			**$ 233,519**	**$ 9,417,633**
Ben Hill	7,940	67	26	1.2%	23	17.2%	4.6%	1,171			**$ 220,625**	**$ 9,197,009**
Butts	9,245	37	18	0.6%	77	18.4%	6.2%	860			**$ 187,766**	**$ 9,009,242**
Lowndes	43,135	178	3	0.4%	131	7.8%	3.7%	5,534			**$ 186,680**	**$ 8,822,562**
Peach	10,641	152	12	1.5%	48	15.5%	3.2%	1,455			**$ 184,346**	**$ 8,638,216**
Coffee	16,693	85	3	0.5%	104	37.3%	7.1%	1,883			**$ 179,827**	**$ 8,458,389**
Heard	4,864	4	18	0.5%	18	21.4%	6.3%	534			**$ 160,626**	**$ 8,297,762**
Pike	6,730	73	10	1.2%	49	18.4%	4.0%	504			**$ 152,695**	**$ 8,145,068**
Madison	11,713	119	6	1.1%	59	20.8%	4.2%	1,169			**$ 152,550**	**$ 7,992,518**
Banks	6,769	52	14	1.0%	25	13.2%	4.8%	623			**$ 148,889**	**$ 7,843,629**
Bulloch	26,873	56	3	0.2%	82	10.8%	4.4%	4,589			**$ 144,095**	**$ 7,699,534**
Thomas	20,042	124	3	0.6%	65	15.6%	5.4%	2,559			**$ 143,951**	**$ 7,555,583**
Liberty	24,111	142	0	0.6%	92	14.2%	5.6%	2,563			**$ 139,960**	**$ 7,415,623**
Ware	16,439	107	3	0.7%	40	14.5%	7.4%	2,231			**$ 136,048**	**$ 7,279,574**

CountyName	HousingUnits	NTS	REO	(NTS+REO)/HU	SubPrime	% SubPrime	VacancyRate	HHs w <50% of area income	Total $	HUD Allocated	State Allocation Amount	
Meriwether	10,370	131	0	1.3%	50	21.6%	5.3%	1,234			$ 135,822	$ 7,143,752
Laurens	20,154	25	1	0.1%	85	31.7%	4.7%	2,459			$ 135,664	$ 7,008,088
Camden	20,838	123	3	0.6%	110	9.4%	4.3%	1,636			$ 133,577	$ 6,874,511
Baldwin	19,111	81	3	0.4%	72	15.8%	6.3%	2,054			$ 132,970	$ 6,741,541
Jones	11,070	79	1	0.7%	112	23.3%	3.4%	988			$ 132,195	$ 6,609,346
Crawford	5,746	33	12	0.8%	11	12.5%	5.6%	618			$ 129,400	$ 6,479,946
Bryan	11,927	91	1	0.8%	122	13.0%	3.3%	1,138			$ 124,442	$ 6,355,504
Emanuel	9,642	31	0	0.3%	31	29.8%	8.0%	1,660			$ 118,644	$ 6,236,860
Colquitt	18,361	91	0	0.5%	48	15.3%	4.5%	2,689			$ 114,927	$ 6,121,933
Elbert	9,466	81	4	0.9%	19	15.6%	4.9%	1,062			$ 114,135	$ 6,007,797
Oconee	12,496	79	8	0.7%	67	8.5%	1.4%	573			$ 112,388	$ 5,895,409
Monroe	10,062	72	1	0.7%	59	16.5%	5.5%	943			$ 110,323	$ 5,785,086
Hart	12,021	60	3	0.5%	55	15.5%	4.6%	1,256			$ 109,961	$ 5,675,125
Union	13,373	50	4	0.4%	26	5.6%	12.7%	829			$ 109,634	$ 5,565,491
Chattooga	10,894	85	4	0.8%	23	12.7%	4.8%	1,053			$ 108,884	$ 5,456,607
Wilcox	3,377	9	1	0.3%	4	28.6%	11.0%	476			$ 104,446	$ 5,352,161
Wayne	11,026	38	2	0.4%	34	12.8%	9.2%	1,238			$ 103,866	$ 5,248,294
Murray	16,032	35	4	0.2%	49	11.9%	5.9%	1,462			$ 103,487	$ 5,144,807
Irwin	4,192	17	0	0.4%	13	35.1%	6.8%	531			$ 102,167	$ 5,042,641
Talbot	3,078	4	6	0.3%	8	22.9%	6.0%	486			$ 101,147	$ 4,941,494
Crisp	10,125	40	0	0.4%	22	19.8%	6.2%	1,955			$ 100,649	$ 4,840,844
Decatur	13,631	52	0	0.4%	44	22.0%	3.6%	1,710			$ 99,810	$ 4,741,034
Sumter	14,227	49	6	0.4%	16	7.2%	4.6%	1,833			$ 99,430	$ 4,641,604
Lamar	7,248	47	3	0.7%	32	15.2%	5.0%	734			$ 99,417	$ 4,542,187
Rabun	12,710	30	8	0.3%	17	5.6%	7.4%	676			$ 97,256	$ 4,444,932
Burke	9,275	41	0	0.4%	27	15.3%	7.1%	1,438			$ 93,792	$ 4,351,140
Toombs	11,838	17	1	0.2%	26	15.4%	7.5%	1,829			$ 93,288	$ 4,257,852
Fannin	17,104	68	2	0.4%	31	4.1%	9.4%	980			$ 92,398	$ 4,165,454
Upson	12,310	44	3	0.4%	36	12.1%	3.8%	1,459			$ 91,961	$ 4,073,493
Telfair	5,131	13	1	0.3%	4	23.5%	8.8%	681			$ 91,217	$ 3,982,277
Putnam	12,301	60	2	0.5%	36	7.2%	6.6%	961			$ 89,923	$ 3,892,353
Oglethorpe	6,213	6	0	0.1%	65	28.3%	3.7%	635			$ 89,624	$ 3,802,730
Tift	16,252	79	0	0.5%	38	11.3%	2.2%	2,202			$ 89,111	$ 3,713,619
Dooly	4,571	9	0	0.2%	9	21.4%	10.3%	722			$ 88,858	$ 3,624,761
Charlton	4,066	12	4	0.4%	11	15.7%	6.2%	651			$ 88,170	$ 3,536,591
Tattnall	8,839	20	0	0.2%	17	15.7%	9.0%	1,238			$ 86,792	$ 3,449,799
Jeff Davis	5,637	20	0	0.4%	10	23.3%	6.8%	773			$ 85,468	$ 3,364,331
Marion	3,195	22	0	0.7%	11	18.6%	6.2%	485			$ 82,324	$ 3,282,006
Appling	7,971	18	0	0.2%	7	10.6%	11.5%	938			$ 80,910	$ 3,201,096
Chattahoochee	3,355	4	4	0.2%	2	11.8%	9.3%	228			$ 80,093	$ 3,121,003

CountyName	HousingUnits	NTS	REO	(NTS+REO)/HU	SubPrime	% SubPrime	VacancyRate	HHs w <50% of area income	Total $	HUD Allocated	State Allocation Amount	
Macon	5,647	11	2	0.2%	6	10.0%	9.8%	783			$ 79,523	$ 3,041,480
Terrell	4,688	31	0	0.7%	7	9.5%	8.7%	683			$ 79,253	$ 2,962,227
Morgan	7,550	48	2	0.7%	30	11.0%	2.5%	777			$ 78,754	$ 2,883,473
Seminole	4,912	0	12	0.2%	1	1.1%	2.5%	589			$ 78,356	$ 2,805,116
Calhoun	2,343	1	8	0.4%	1	5.9%	4.6%	403			$ 77,238	$ 2,727,879
Harris	12,952	64	1	0.5%	63	8.6%	1.7%	810			$ 77,070	$ 2,650,809
Dade	6,456	44	1	0.7%	18	9.6%	5.1%	650			$ 76,661	$ 2,574,148
Wilkinson	4,536	2	1	0.1%	9	21.4%	7.2%	603			$ 75,799	$ 2,498,349
Grady	10,530	42	0	0.4%	19	10.7%	4.4%	1,652			$ 75,791	$ 2,422,558
Towns	8,303	5	1	0.1%	15	5.3%	13.1%	461			$ 74,089	$ 2,348,469
Washington	8,537	8	1	0.1%	10	13.3%	6.7%	1,399			$ 73,996	$ 2,274,473
Bacon	4,507	12	0	0.3%	4	9.8%	10.5%	726			$ 72,792	$ 2,201,681
Lee	11,700	50	0	0.4%	70	10.4%	1.7%	716			$ 72,613	$ 2,129,068
Twiggs	4,434	5	2	0.2%	9	20.5%	4.1%	727			$ 71,940	$ 2,057,128
Wilkes	5,172	12	1	0.3%	5	15.6%	6.5%	750			$ 71,415	$ 1,985,713
Pierce	7,550	21	0	0.3%	18	12.5%	6.3%	986			$ 70,979	$ 1,914,734
Glascock	1,215	2	0	0.2%	2	11.1%	12.6%	175			$ 70,848	$ 1,843,886
Jefferson	7,394	19	0	0.3%	6	9.5%	8.7%	1,041			$ 70,856	$ 1,773,029
Jenkins	3,957	9	0	0.2%	7	13.7%	8.8%	607			$ 70,401	$ 1,702,628
Warren	2,792	1	1	0.1%	5	20.0%	5.5%	510			$ 65,028	$ 1,637,601
Dodge	8,470	19	1	0.2%	9	10.6%	4.9%	1,083			$ 64,069	$ 1,573,532
Screven	7,117	3	0	0.0%	9	8.7%	8.7%	1,057			$ 62,898	$ 1,510,634
Worth	9,427	13	0	0.1%	17	11.6%	5.3%	1,150			$ 62,544	$ 1,448,090
Montgomery	3,786	15	0	0.4%	3	10.3%	7.4%	460			$ 62,194	$ 1,385,896
Wheeler	2,480	0	0	0.0%	0	0.0%	15.6%	375			$ 62,086	$ 1,323,810
Miller	2,804	1	0	0.0%	8	21.6%	5.2%	346			$ 59,923	$ 1,263,887
Pulaski	4,230	6	1	0.2%	6	11.8%	5.9%	503			$ 57,429	$ 1,206,458
Turner	3,971	6	0	0.2%	2	6.7%	8.8%	666			$ 56,337	$ 1,150,121
Long	4,320	6	0	0.1%	23	23.5%	0.2%	539			$ 55,375	$ 1,094,747
Bleckley	5,132	2	0	0.0%	10	17.5%	4.0%	664			$ 54,164	$ 1,040,582
Webster	1,132	0	0	0.0%	0	0.0%	14.2%	146			$ 54,045	$ 986,537
Evans	4,602	5	0	0.1%	9	13.2%	4.5%	735			$ 52,186	$ 934,351
Early	5,487	5	0	0.1%	3	4.4%	8.2%	877			$ 52,132	$ 882,219
Greene	8,112	11	1	0.1%	20	5.7%	4.4%	833			$ 51,841	$ 830,378
Brooks	7,346	3	0	0.0%	5	3.7%	7.5%	1,195			$ 51,526	$ 778,852
Berrien	7,527	18	2	0.3%	6	3.6%	3.6%	903			$ 50,546	$ 728,306
Cook	6,856	6	0	0.1%	5	4.1%	6.8%	1,027			$ 49,059	$ 679,248
Candler	3,961	1	1	0.1%	1	2.6%	8.3%	630			$ 48,588	$ 630,660
Brantley	6,608	1	0	0.0%	3	2.7%	9.6%	496			$ 47,294	$ 583,366
Lincoln	4,776	22	0	0.5%	4	6.7%	4.0%	419			$ 46,710	$ 536,656

CountyName	HousingUnits	NTS	REO	(NTS+REO)/HU	SubPrime	% SubPrime	VacancyRate	HHs w <50% of area income	Total $	HUD Allocated	State Allocation Amount	
Taylor	4,197	4	0	0.1%	0	0.0%	10.0%	516			$ 46,503	$ 490,153
Johnson	3,654	3	0	0.1%	3	21.4%	0.9%	548			$ 46,206	$ 443,947
Clinch	2,908	5	0	0.2%	4	8.5%	5.7%	410			$ 45,788	$ 398,159
Quitman	1,816	0	0	0.0%	2	8.7%	8.0%	151			$ 45,144	$ 353,015
Lanier	3,400	0	0	0.0%	4	4.7%	8.4%	422			$ 44,806	$ 308,209
Echols	1,521	1	1	0.1%	0	0.0%	8.9%	216			$ 43,521	$ 264,688
McIntosh	6,711	9	0	0.1%	13	6.9%	4.0%	710			$ 43,240	$ 221,448
Hancock	4,658	2	1	0.1%	5	5.6%	2.7%	688			$ 35,283	$ 186,165
Stewart	2,352	0	0	0.0%	0	0.0%	8.2%	329			$ 34,305	$ 151,860
Atkinson	3,213	3	0	0.1%	2	11.8%	1.7%	457			$ 33,241	$ 118,619
Clay	1,961	0	0	0.0%	0	0.0%	6.1%	306			$ 26,317	$ 92,302
Treutlen	2,878	0	0	0.0%	1	5.6%	3.0%	378			$ 24,385	$ 67,916
Baker	1,765	0	0	0.0%	1	11.1%	0.2%	264			$ 21,250	$ 46,666
Schley	1,645	2	0	0.1%	0	0.0%	3.1%	259			$ 18,260	$ 28,406
Randolph	3,400	0	0	0.0%	1	4.8%	0.9%	552			$ 17,716	$ 10,689
Taliaferro	1,109	0	0	0.0%	0	0.0%	2.4%	161			$ 10,689	$ (0)
SUM	**3,961,474**	**58,634**	**27,221**	**134.77%**	**43,913**	**2191.6%**	**862.88%**	**434,036**			**74,001,720**	
SUM2	**2,326,457**	**23,487**	**9,037**	**112.59%**	**18,177**	**2035%**	**833%**	**245,348**			**61,384,245**	

*Note: Raw data variables reflected in percentage terms represent the City of Savannah share of the variable as a percentage of Chatham County total.

**Raw data for Chatham County exclude the City of Savannah.

APPENDIX 2 Revised - Published 12/15/2008

STATE OF GEORGIA NSP NEEDS ANALYSIS AND POTENTIAL ALLOCATIONS

Note: The NSP potential allocations represent the allocations for all jurisdictions within the County-- see the Appendix 1 Methodology for prorations between Cities & Counties.

Allocation amount to determine need

$ 153,037,451

Weight >	5%	65%	5%	10%	5%	5%	5%
Allocation Amt >	$ 7,651,873	$ 99,474,343	$ 7,651,873	$ 15,303,745	$ 7,651,873	$ 7,651,873	$ 7,651,873

RAW NEEDS DATA / CALCULATED

CountyName	HousingUnits	NTS	REO	(NTS+REO)/HU	SubPrime	% SubPrime	VacancyRate	HHs w <50% of area income	NTS allocation	REO allocation	FR allocation	SubPrime allocation	% SubPrime allocation	VR allocation	HHs w <50% income allocation	Total $	HUD Allocated	State Allocation Amount		HUD+State
Clayton	105,978	3,466	2,062	5.2%	2,753	37.0%	4.5%	14,030	5.91% $ 452,321	7.6% $ 7,535,215	3.9% $ 296,161	6.3% $ 959,425	1.7% $ 129,184	0.5% $ 39,905	3.2% $ 247,343	$ 9,659,554	$ 9,732,126	$ -		$ 9,732,126
Cobb	278,037	4,657	1,698	2.3%	3,275	14.6%	2.3%	24,225	7.94% $ 607,749	6.2% $ 6,205,041	1.7% $ 129,774	7.5% $ 1,141,342	0.7% $ 50,975	0.3% $ 20,396	5.6% $ 427,077	$ 8,582,355	$ 6,889,134	$ 1,693,221		$ 8,582,355
Dekalb	306,106	7,394	3,721	3.6%	5,120	25.7%	3.2%	38,740	12.61% $ 964,934	13.7% $ 13,597,738	2.7% $ 206,164	11.7% $ 1,784,328	1.2% $ 89,730	0.4% $ 28,377	8.9% $ 682,970	$ 17,354,241	$ 18,545,013	$ -		$ 18,545,013
Fulton	431,601	11,517	6,822	4.2%	7,933	21.3%	4.6%	56,304	19.64% $ 1,502,995	25.1% $ 24,929,796	3.2% $ 241,251	18.1% $ 2,764,662	1.0% $ 74,368	0.5% $ 40,792	13.0% $ 992,616	$ 30,546,480	$ 22,649,492	$ 7,896,987		$ 30,546,480
Gwinnett	283,669	5,802	2,808	3.0%	5,459	18.7%	1.5%	19,294	9.90% $ 757,174	10.3% $ 10,261,341	2.3% $ 172,332	12.4% $ 1,902,470	0.9% $ 65,290	0.2% $ 13,302	4.4% $ 340,145	$ 13,512,054	$ 10,507,827	$ 3,004,227		$ 13,512,054
Muscogee	83,031	682	432	1.3%	488	17.4%	4.6%	10,508	1.16% $ 89,003	1.6% $ 1,578,668	1.0% $ 76,176	1.1% $ 170,069	0.8% $ 60,751	0.5% $ 40,792	2.4% $ 185,252	$ 2,200,710	$ 3,117,039	$ -		$ 3,117,039
Richmond	86,890	1,059	489	1.8%	341	16.4%	6.0%	13,621	1.81% $ 138,202	1.8% $ 1,786,964	1.3% $ 101,152	0.8% $ 118,839	0.7% $ 57,260	0.7% $ 53,554	3.1% $ 240,133	$ 2,496,104	$ 2,473,064	$ 23,039		$ 2,496,104
Savannah*	59,705	570	152	0.6%	367	5.9%	2.8%	11,966	0.97% $ 74,442	0.6% $ 556,776	0.5% $ 36,237	0.8% $ 127,900	0.3% $ 20,644	0.3% $ 24,967	2.8% $ 210,956	$ 1,051,922	$ 2,038,631	$ -		$ 2,038,631
																		$ 12,617,475		

BALANCE	
$ 77,085,125	< State allocation
$ (12,617,475)	< Addt'l Entitlements allocation
$ (3,083,405)	< Admin costs
$ 61,384,245	< Remaining State allocation

Remaining State Allocation

$ 61,384,245

Allocation Amt >	$ 3,069,212	$ 39,899,760	$ 3,069,212	$ 6,138,425	$ 3,069,212	$ 3,069,212	$ 3,069,212

RAW NEEDS DATA / CALCULATED

GEORGIA

CountyName	HousingUnits	NTS	REO	(NTS+REO)/HU	SubPrime	% SubPrime	VacancyRate	HHs w <50% of area income	NTS allocation	REO allocation	FR allocation	SubPrime allocation	% SubPrime allocation	VR allocation	HHs w <50% income allocation	Total $	HUD Allocated	State Allocation Amount	BALANCE	HUD+State
Henry	71,280	2473	1149	5.1%	1,854	22.6%	2.5%	3,760	10.5% $ 323,170	12.7% $ 5,073,216	4.5% $ 138,517	10.2% $ 626,101	1.1% $ 34,092	0.3% $ 9,132	1.5% $ 47,036			$ 6,251,265	$ 55,132,980	$ 6,251,265
Bibb	71,569	1029	797	2.6%	678	25.4%	7.3%	10,736	4.4% $ 134,469	8.8% $ 3,519,019	2.3% $ 69,550	3.7% $ 228,963	1.2% $ 38,316	0.9% $ 26,922	4.4% $ 134,303			$ 4,151,543	$ 50,981,438	$ 4,151,543
Douglas	48,516	1387	688	4.3%	1,103	25.8%	2.8%	4,162	5.9% $ 181,252	7.6% $ 3,037,748	3.8% $ 116,589	6.1% $ 372,486	1.3% $ 38,920	0.3% $ 10,466	1.7% $ 52,065			$ 3,809,526	$ 47,171,912	$ 3,809,526
Cherokee	78,925	1323	583	2.4%	942	11.0%	1.8%	4,536	5.6% $ 172,889	6.5% $ 2,574,138	2.1% $ 65,831	5.2% $ 318,116	0.5% $ 16,594	0.2% $ 6,668	1.8% $ 56,744			$ 3,210,980	$ 43,960,932	$ 3,210,980
Rockdale	31,166	940	475	4.5%	783	29.6%	2.9%	2,920	4.0% $ 122,839	5.3% $ 2,097,283	4.0% $ 123,765	4.3% $ 264,421	1.5% $ 44,652	0.3% $ 10,532	1.2% $ 36,528			$ 2,700,020	$ 41,260,912	$ 2,700,020
Carroll	45,388	848	493	3.0%	405	17.5%	4.6%	5,889	3.6% $ 110,816	5.5% $ 2,176,759	2.6% $ 80,540	2.2% $ 136,770	0.9% $ 26,399	0.6% $ 17,107	2.4% $ 73,669			$ 2,622,059	$ 38,638,852	$ 2,622,059
Paulding	50,328	888	443	2.6%	989	17.8%	2.5%	3,025	3.8% $ 116,043	4.9% $ 1,955,992	2.3% $ 72,093	5.4% $ 333,988	0.9% $ 26,852	0.3% $ 9,320	1.2% $ 37,842			$ 2,552,129	$ 36,086,723	$ 2,552,129
Hall	62,798	978	404	2.2%	553	12.9%	2.7%	6,061	4.2% $ 127,805	4.5% $ 1,783,794	2.0% $ 59,991	3.0% $ 186,750	0.6% $ 19,460	0.3% $ 10,060	2.5% $ 75,821			$ 2,263,680	$ 33,823,043	$ 2,263,680
Newton	36,964	117	379	1.3%	1,044	27.7%	3.1%	3,170	0.5% $ 15,289	4.2% $ 1,673,411	1.2% $ 36,578	5.7% $ 352,562	1.4% $ 41,786	0.4% $ 11,549	1.3% $ 39,656			$ 2,170,830	$ 31,652,213	$ 2,170,830
Coweta	45,981	806	390	2.6%	438	12.3%	2.6%	3,989	3.4% $ 105,328	4.3% $ 1,721,979	2.3% $ 70,905	2.4% $ 147,914	0.6% $ 18,555	0.3% $ 9,440	1.6% $ 49,901			$ 2,124,021	$ 29,528,192	$ 2,124,021
Forsyth	60,140	619	348	1.6%	565	7.7%	1.5%	2,869	2.6% $ 80,891	3.9% $ 1,536,535	1.4% $ 43,831	3.1% $ 190,802	0.4% $ 11,616	0.2% $ 5,524	1.2% $ 35,890			$ 1,905,089	$ 27,623,103	$ 1,905,089
Walton	31,809	717	254	3.1%	393	16.8%	2.8%	3,073	3.1% $ 93,697	2.8% $ 1,121,494	2.7% $ 83,213	2.2% $ 132,717	0.8% $ 25,343	0.3% $ 10,197	1.3% $ 38,442			$ 1,505,104	$ 26,117,999	$ 1,505,104
Spalding	26,284	388	260	2.5%	303	24.0%	4.8%	4,279	1.7% $ 50,704	2.9% $ 1,147,986	2.2% $ 67,206	1.7% $ 102,324	1.2% $ 36,204	0.6% $ 17,749	1.7% $ 53,529			$ 1,475,702	$ 24,642,297	$ 1,475,702
Barrow	25,547	544	228	3.0%	544	22.4%	2.8%	2,353	2.3% $ 71,090	2.5% $ 1,006,696	2.7% $ 82,376	3.0% $ 183,710	1.1% $ 33,791	0.3% $ 10,143	1.0% $ 29,435			$ 1,417,240	$ 23,225,056	$ 1,417,240
Fayette	38,946	594	183	2.0%	532	16.8%	1.7%	2,171	2.5% $ 77,624	2.0% $ 808,006	1.8% $ 54,385	2.9% $ 179,658	0.8% $ 25,343	0.2% $ 6,370	0.9% $ 27,158			$ 1,178,544	$ 22,046,513	$ 1,178,544
Bartow	36,998	547	192	2.0%	344	14.3%	3.0%	3,601	2.3% $ 71,482	2.1% $ 847,744	1.8% $ 54,449	1.9% $ 116,170	0.7% $ 21,572	0.4% $ 10,995	1.5% $ 45,047			$ 1,167,458	$ 20,879,054	$ 1,167,458
Chatham**	53,545	512	137	0.6%	527	8.5%	0.5%	3,818	2.2% $ 66,852	1.5% $ 603,307	0.5% $ 15,603	2.9% $ 177,969	0.4% $ 12,808	0.1% $ 2,007	1.6% $ 47,762			$ 926,308	$ 19,952,747	$ 926,308
Dougherty	41,607	220	126	0.8%	187	16.6%	4.0%	7,243	0.9% $ 28,749	1.4% $ 556,332	0.7% $ 22,669	1.0% $ 63,150	0.8% $ 25,041	0.5% $ 14,664	3.0% $ 90,607			$ 801,214	$ 19,151,533	$ 801,214
Jackson	23,572	328	104	1.8%	310	15.8%	3.6%	2,158	1.4% $ 42,863	1.2% $ 459,194	1.6% $ 49,959	1.7% $ 104,688	0.8% $ 23,835	0.4% $ 13,108	0.9% $ 26,996			$ 720,642	$ 18,430,891	$ 720,642
Columbia	42,894	357	100	1.1%	206	7.4%	2.2%	2,247	1.5% $ 46,653	1.1% $ 441,533	0.9% $ 29,043	1.1% $ 69,567	0.4% $ 11,163	0.3% $ 8,094	0.9% $ 28,109			$ 634,162	$ 17,796,729	$ 634,162
Houston	56,581	602	65	1.2%	385	13.8%	3.4%	4,878	2.6% $ 78,669	0.7% $ 286,997	1.0% $ 32,135	2.1% $ 130,016	0.7% $ 20,818	0.4% $ 12,703	2.0% $ 61,022			$ 622,359	$ 17,174,371	$ 622,359
Polk	16,923	221	89	1.8%	65	15.8%	2.9%	1,970	0.9% $ 28,880	1.0% $ 392,965	1.6% $ 49,935	0.4% $ 21,951	0.8% $ 23,835	0.3% $ 10,700	0.8% $ 24,644			$ 552,909	$ 16,621,462	$ 552,909
Catoosa	26,037	231	77	1.2%	212	17.3%	2.8%	2,387	1.0% $ 30,187	0.9% $ 339,981	1.1% $ 32,247	1.2% $ 71,593	0.9% $ 26,097	0.3% $ 10,331	1.0% $ 29,860			$ 540,296	$ 16,081,166	$ 540,296
Effingham	18,865	133	83	1.1%	213	16.1%	3.0%	1,351	0.6% $ 17,380	0.9% $ 366,473	1.0% $ 31,212	1.2% $ 71,931	0.8% $ 24,287	0.4% $ 11,000	0.6% $ 16,901			$ 539,183	$ 15,541,983	$ 539,183
Gordon	20,919	210	81	1.4%	83	10.8%	3.9%	1,855	0.9% $ 27,443	0.9% $ 357,642	1.2% $ 37,921	0.5% $ 28,029	0.5% $ 16,292	0.5% $ 14,255	0.8% $ 23,205			$ 504,787	$ 15,037,197	$ 504,787
Haralson	12,037	23	76	0.8%	43	10.0%	6.8%	1,435	0.1% $ 3,006	0.8% $ 335,565	0.7% $ 22,420	0.2% $ 14,521	0.5% $ 15,085	0.8% $ 24,911	0.6% $ 17,951			$ 433,460	$ 14,603,737	$ 433,460
Habersham	17,598	127	67	1.1%	62	9.7%	4.4%	1,605	0.5% $ 16,596	0.7% $ 295,827	1.0% $ 30,051	0.3% $ 20,938	0.5% $ 14,633	0.5% $ 16,260	0.7% $ 20,078			$ 414,382	$ 14,189,354	$ 414,382
Gilmer	16,354	145	65	1.3%	46	7.0%	7.6%	1,046	0.6% $ 18,949	0.7% $ 286,997	1.1% $ 35,004	0.3% $ 15,534	0.3% $ 10,560	0.9% $ 28,035	0.4% $ 13,085			$ 408,164	$ 13,781,191	$ 408,164
Clarke	49,962	339	18	0.7%	294	12.5%	2.9%	10,764	1.4% $ 44,300	0.2% $ 79,476	0.6% $ 19,478	1.6% $ 99,285	0.6% $ 18,856	0.3% $ 10,575	4.4% $ 134,654			$ 406,624	$ 13,374,567	$ 406,624
Pickens	13,796	127	46	1.3%	79	10.9%	2.5%	1,288	0.5% $ 16,596	0.5% $ 203,105	1.1% $ 34,183	0.4% $ 26,679	0.5% $ 16,443	0.3% $ 9,250	0.5% $ 16,112			$ 322,369	$ 13,052,198	$ 322,369
Dawson	9,855	85	41	1.3%	107	17.4%	5.8%	684	0.4% $ 11,108	0.5% $ 181,029	1.1% $ 34,853	0.6% $ 36,134	0.9% $ 26,248	0.7% $ 21,429	0.3% $ 8,557			$ 319,357	$ 12,732,841	$ 319,357
Walker	28,456	368	16	1.3%	221	20.0%	5.0%	3,106	1.6% $ 48,090	0.2% $ 70,645	1.2% $ 36,786	1.2% $ 74,632	1.0% $ 30,170	0.6% $ 18,507	1.3% $ 38,855			$ 317,686	$ 12,415,155	$ 317,686
Mcduffie	9,301	42	48	1.0%	21	12.7%	7.3%	1,277	0.2% $ 5,489	0.5% $ 211,936	0.9% $ 26,378	0.1% $ 7,092	0.6% $ 19,158	0.9% $ 26,734	0.5% $ 15,975			$ 312,761	$ 12,102,394	$ 312,761
Whitfield	35,167	407	25	1.2%	127	8.6%	4.5%	3,239	1.7% $ 53,187	0.3% $ 110,383	1.1% $ 33,487	0.7% $ 42,888	0.4% $ 12,973	0.5% $ 16,618	1.3% $ 40,519			$ 310,054	$ 11,792,340	$ 310,054
White	11,906	77	46	1.0%	44	8.5%	7.6%	816	0.3% $ 10,062	0.5% $ 203,105	0.9% $ 28,162	0.2% $ 14,859	0.4% $ 12,822	0.9% $ 27,959	0.3% $ 10,208			$ 307,177	$ 11,485,163	$ 307,177
Lumpkin	11,101	70	42	1.0%	48	9.4%	6.4%	1,028	0.3% $ 9,148	0.5% $ 185,444	0.9% $ 27,503	0.3% $ 16,210	0.5% $ 14,180	0.8% $ 23,670	0.4% $ 12,860			$ 289,014	$ 11,196,148	$ 289,014
Floyd	39,903	382	13	1.0%	126	11.3%	5.3%	4,726	1.6% $ 49,920	0.1% $ 57,399	0.9% $ 26,985	0.7% $ 42,551	0.6% $ 17,046	0.6% $ 19,540	1.9% $ 59,121			$ 272,561	$ 10,923,588	$ 272,561
Jasper	6,114	82	36	1.9%	33	14.3%	2.4%	585	0.3% $ 10,716	0.4% $ 158,952	1.7% $ 52,611	0.2% $ 11,144	0.7% $ 21,572	0.3% $ 9,001	0.2% $ 7,318			$ 271,314	$ 10,652,273	$ 271,314
Troup	26,955	259	10	1.0%	204	22.9%	4.7%	3,395	1.1% $ 33,846	0.1% $ 44,153	0.9% $ 27,204	1.1% $ 68,891	1.1% $ 34,545	0.6% $ 17,183	1.4% $ 42,470			$ 268,293	$ 10,383,980	$ 268,293
Mitchell	9,334	11	35	0.5%	33	25.4%	5.0%	1,484	0.0% $ 1,437	0.4% $ 154,537	0.4% $ 13,434	0.2% $ 11,144	1.2% $ 38,316	0.6% $ 18,378	0.6% $ 18,564			$ 255,811	$ 10,128,169	$ 255,811
Stephens	12,381	51	36	0.7%	21	8.1%	4.9%	1,380	0.2% $ 6,665	0.4% $ 158,952	0.6% $ 19,155	0.1% $ 7,092	0.4% $ 12,219	0.6% $ 17,912	0.6% $ 17,263			$ 239,258	$ 9,888,912	$ 239,258
Glynn	38,169	198	8	0.5%	219	10.5%	5.2%	4,237	0.8% $ 25,875	0.1% $ 35,323	0.5% $ 14,712	1.2% $ 73,957	0.5% $ 15,839	0.6% $ 19,050	1.7% $ 53,003			$ 237,759	$ 9,651,152	$ 237,759
Franklin	9,549	61	29	0.9%	35	13.8%	7.1%	1,045	0.3% $ 7,971	0.3% $ 128,045	0.8% $ 25,693	0.2% $ 11,820	0.7% $ 20,818	0.9% $ 26,100	0.4% $ 13,073			$ 233,519	$ 9,417,633	$ 233,519
Ben Hill	7,940	67	26	1.2%	23	17.2%	4.6%	1,171	0.3% $ 8,756	0.3% $ 114,799	1.0% $ 31,929	0.1% $ 7,767	0.8% $ 25,946	0.5% $ 16,779	0.5% $ 14,649			$ 220,625	$ 9,197,009	$ 220,625
Butts	9,245	37	18	0.6%	77	18.4%	6.2%	860	0.2% $ 4,835	0.2% $ 79,476	0.5% $ 16,217	0.4% $ 26,003	0.9% $ 27,757	0.7% $ 22,720	0.4% $ 10,758			$ 187,766	$ 9,009,242	$ 187,766
Lowndes	43,135	178	3	0.4%	131	7.8%	3.7%	5,534	0.8% $ 23,261	0.0% $ 13,246	0.4% $ 11,439	0.7% $ 44,239	0.4% $ 11,766	0.4% $ 13,501	2.3% $ 69,228			$ 186,680	$ 8,822,562	$ 186,680
Peach	10,641	152	12	1.5%	48	15.5%	3.2%	1,455	0.6% $ 19,863	0.1% $ 52,984	1.4% $ 42,013	0.3% $ 16,210	0.8% $ 23,382	0.4% $ 11,693	0.6% $ 18,202			$ 184,346	$ 8,638,216	$ 184,346

CountyName	HousingUnits	NTS	REO	(NTS+REO)/HU	SubPrime	% SubPrime	VacancyRate	HHs w <50% of area income	NTS allocation		REO allocation		FR allocation		SubPrime allocation		% SubPrime allocation		VR allocation		HHs w <50% income allocation		Total $	HUD Allocated	State Allocation Amount		HUD+State
Coffee	16,693	85	3	0.5%	104	37.3%	7.1%	1,883	0.4%	$ 11,108	0.0%	$ 13,246	0.5%	$ 14,370	0.6%	$ 35,121	1.8%	$ 56,268	0.9%	$ 26,158	0.8%	$ 23,556			$ 179,827	$ 8,458,389	$ 179,827
Heard	4,864	4	18	0.5%	18	21.4%	6.3%	534	0.0%	$ 523	0.2%	$ 79,476	0.4%	$ 12,330	0.1%	$ 6,079	1.1%	$ 32,282	0.8%	$ 23,257	0.2%	$ 6,680			$ 160,626	$ 8,297,762	$ 160,626
Pike	6,730	73	10	1.2%	49	18.4%	4.0%	504	0.3%	$ 9,540	0.1%	$ 44,153	1.1%	$ 33,619	0.3%	$ 16,547	0.9%	$ 27,757	0.5%	$ 14,774	0.2%	$ 6,305			$ 152,695	$ 8,145,068	$ 152,695
Madison	11,713	119	6	1.1%	59	20.8%	4.2%	1,169	0.5%	$ 15,551	0.1%	$ 26,492	0.9%	$ 29,091	0.3%	$ 19,924	1.0%	$ 31,377	0.5%	$ 15,490	0.5%	$ 14,624			$ 152,550	$ 7,992,518	$ 152,550
Banks	6,769	52	14	1.0%	25	13.2%	4.8%	623	0.2%	$ 6,795	0.2%	$ 61,815	0.9%	$ 26,579	0.1%	$ 8,443	0.6%	$ 19,912	0.6%	$ 17,551	0.3%	$ 7,793			$ 148,889	$ 7,843,629	$ 148,889
Bulloch	26,873	56	3	0.2%	82	10.8%	4.4%	4,589	0.2%	$ 7,318	0.0%	$ 13,246	0.2%	$ 5,985	0.5%	$ 27,692	0.5%	$ 16,292	0.5%	$ 16,156	1.9%	$ 57,407			$ 144,095	$ 7,699,534	$ 144,095
Thomas	20,042	124	3	0.6%	65	15.6%	5.4%	2,559	0.5%	$ 16,204	0.0%	$ 13,246	0.6%	$ 17,274	0.4%	$ 21,951	0.8%	$ 23,533	0.6%	$ 19,732	1.0%	$ 32,012			$ 143,951	$ 7,555,583	$ 143,951
Liberty	24,111	142	0	0.6%	92	14.2%	5.6%	2,563	0.6%	$ 18,556	0.0%	$ -	0.5%	$ 16,054	0.5%	$ 31,069	0.7%	$ 21,421	0.7%	$ 20,797	1.0%	$ 32,062			$ 139,960	$ 7,415,623	$ 139,960
Ware	16,439	107	3	0.7%	40	14.5%	7.4%	2,231	0.5%	$ 13,983	0.0%	$ 13,246	0.6%	$ 18,241	0.2%	$ 13,508	0.7%	$ 21,873	0.9%	$ 27,288	0.9%	$ 27,909			$ 136,048	$ 7,279,574	$ 136,048
Meriwether	10,370	131	0	1.3%	50	21.6%	5.3%	1,234	0.6%	$ 17,119	0.0%	$ -	1.1%	$ 34,436	0.3%	$ 16,885	1.1%	$ 32,584	0.6%	$ 19,361	0.5%	$ 15,437			$ 135,822	$ 7,143,752	$ 135,822
Laurens	20,154	25	1	0.1%	85	31.7%	4.7%	2,459	0.1%	$ 3,267	0.0%	$ 4,415	0.1%	$ 3,517	0.5%	$ 28,705	1.6%	$ 47,820	0.6%	$ 17,180	1.0%	$ 30,761			$ 135,664	$ 7,008,088	$ 135,664
Camden	20,838	123	3	0.6%	110	9.4%	4.3%	1,636	0.5%	$ 16,074	0.0%	$ 13,246	0.5%	$ 16,483	0.6%	$ 37,147	0.5%	$ 14,180	0.5%	$ 15,981	0.7%	$ 20,466			$ 133,577	$ 6,874,511	$ 133,577
Baldwin	19,111	81	3	0.4%	72	15.8%	6.3%	2,054	0.3%	$ 10,585	0.0%	$ 13,246	0.4%	$ 11,982	0.4%	$ 24,315	0.8%	$ 23,835	0.8%	$ 23,313	0.8%	$ 25,695			$ 132,970	$ 6,741,541	$ 132,970
Jones	11,070	79	1	0.7%	112	23.3%	3.4%	988	0.3%	$ 10,324	0.0%	$ 4,415	0.6%	$ 19,700	0.6%	$ 37,823	1.1%	$ 35,148	0.4%	$ 12,425	0.4%	$ 12,360			$ 132,195	$ 6,609,346	$ 132,195
Crawford	5,746	33	12	0.8%	11	12.5%	5.6%	618	0.1%	$ 4,312	0.1%	$ 52,984	0.7%	$ 21,349	0.1%	$ 3,715	0.6%	$ 18,856	0.7%	$ 20,453	0.3%	$ 7,731			$ 129,400	$ 6,479,946	$ 129,400
Bryan	11,927	91	1	0.8%	122	13.0%	3.3%	1,138	0.4%	$ 11,892	0.0%	$ 4,415	0.7%	$ 21,027	0.7%	$ 41,200	0.6%	$ 19,611	0.4%	$ 12,062	0.5%	$ 14,236			$ 124,442	$ 6,355,504	$ 124,442
Emanuel	9,642	31	0	0.3%	31	29.8%	8.0%	1,660	0.1%	$ 4,051	0.0%	$ -	0.3%	$ 8,764	0.2%	$ 10,469	1.5%	$ 44,954	1.0%	$ 29,640	0.7%	$ 20,766			$ 118,644	$ 6,236,860	$ 118,644
Colquitt	18,361	91	0	0.5%	48	15.3%	4.5%	2,689	0.4%	$ 11,892	0.0%	$ -	0.4%	$ 13,510	0.3%	$ 16,210	0.8%	$ 23,080	0.5%	$ 16,597	1.1%	$ 33,638			$ 114,927	$ 6,121,933	$ 114,927
Elbert	9,466	81	4	0.9%	19	15.6%	4.9%	1,062	0.3%	$ 10,585	0.0%	$ 17,661	0.8%	$ 24,478	0.1%	$ 6,416	0.8%	$ 23,533	0.6%	$ 18,177	0.4%	$ 13,285			$ 114,135	$ 6,007,797	$ 114,135
Oconee	12,496	79	8	0.7%	67	8.5%	1.4%	573	0.3%	$ 10,324	0.1%	$ 35,323	0.6%	$ 18,979	0.4%	$ 22,626	0.4%	$ 12,822	0.2%	$ 5,146	0.2%	$ 7,168			$ 112,388	$ 5,895,409	$ 112,388
Monroe	10,062	72	1	0.7%	59	16.5%	5.5%	943	0.3%	$ 9,409	0.0%	$ 4,415	0.6%	$ 19,777	0.3%	$ 19,924	0.8%	$ 24,891	0.7%	$ 20,111	0.4%	$ 11,797			$ 110,323	$ 5,785,086	$ 110,323
Hart	12,021	60	3	0.5%	55	15.5%	4.6%	1,256	0.3%	$ 7,841	0.0%	$ 13,246	0.5%	$ 14,286	0.3%	$ 18,574	0.8%	$ 23,382	0.6%	$ 16,920	0.5%	$ 15,712			$ 109,961	$ 5,675,125	$ 109,961
Union	13,373	50	4	0.4%	26	5.6%	12.7%	829	0.2%	$ 6,534	0.0%	$ 17,661	0.4%	$ 11,007	0.1%	$ 8,780	0.3%	$ 8,448	1.5%	$ 46,833	0.3%	$ 10,370			$ 109,634	$ 5,565,491	$ 109,634
Chattooga	10,894	85	4	0.8%	23	12.7%	4.8%	1,053	0.4%	$ 11,108	0.0%	$ 17,661	0.7%	$ 22,270	0.1%	$ 7,767	0.6%	$ 19,158	0.6%	$ 17,747	0.4%	$ 13,173			$ 108,884	$ 5,456,607	$ 108,884
Wilcox	3,377	9	1	0.3%	4	28.6%	11.0%	476	0.0%	$ 1,176	0.0%	$ 4,415	0.3%	$ 8,072	0.0%	$ 1,351	1.4%	$ 43,144	1.3%	$ 40,334	0.2%	$ 5,955			$ 104,446	$ 5,352,161	$ 104,446
Wayne	11,026	38	2	0.4%	34	12.8%	9.2%	1,238	0.2%	$ 4,966	0.0%	$ 8,831	0.3%	$ 9,889	0.2%	$ 11,482	0.6%	$ 19,309	1.1%	$ 33,903	0.5%	$ 15,487			$ 103,866	$ 5,248,294	$ 103,866
Murray	16,032	35	4	0.2%	49	11.9%	5.9%	1,462	0.1%	$ 4,574	0.0%	$ 17,661	0.2%	$ 6,631	0.3%	$ 16,547	0.6%	$ 17,951	0.7%	$ 21,833	0.6%	$ 18,289			$ 103,487	$ 5,144,807	$ 103,487
Irwin	4,192	17	0	0.4%	13	35.1%	6.8%	531	0.1%	$ 2,222	0.0%	$ -	0.4%	$ 11,055	0.1%	$ 4,390	1.7%	$ 52,949	0.8%	$ 24,909	0.2%	$ 6,643			$ 102,167	$ 5,042,641	$ 102,167
Talbot	3,078	4	6	0.3%	8	22.9%	6.0%	486	0.0%	$ 523	0.1%	$ 26,492	0.3%	$ 8,856	0.0%	$ 2,702	1.1%	$ 34,545	0.7%	$ 21,950	0.2%	$ 6,080			$ 101,147	$ 4,941,494	$ 101,147
Crisp	10,125	40	0	0.4%	22	19.8%	6.2%	1,955	0.2%	$ 5,227	0.0%	$ -	0.4%	$ 10,769	0.1%	$ 7,429	1.0%	$ 29,869	0.7%	$ 22,899	0.8%	$ 24,456			$ 100,649	$ 4,840,844	$ 100,649
Decatur	13,631	52	0	0.4%	44	22.0%	3.6%	1,710	0.2%	$ 6,795	0.0%	$ -	0.3%	$ 10,399	0.2%	$ 14,859	1.1%	$ 33,187	0.4%	$ 13,178	0.7%	$ 21,391			$ 99,810	$ 4,741,034	$ 99,810
Sumter	14,227	49	6	0.4%	16	7.2%	4.6%	1,833	0.2%	$ 6,403	0.1%	$ 26,492	0.3%	$ 10,538	0.1%	$ 5,403	0.4%	$ 10,861	0.5%	$ 16,801	0.7%	$ 22,930			$ 99,430	$ 4,641,604	$ 99,430
Lamar	7,248	47	3	0.7%	32	15.2%	5.0%	734	0.2%	$ 6,142	0.0%	$ 13,246	0.6%	$ 18,805	0.2%	$ 10,806	0.7%	$ 22,929	0.6%	$ 18,306	0.3%	$ 9,182			$ 99,417	$ 4,542,187	$ 99,417
Rabun	12,710	30	8	0.3%	17	5.6%	7.4%	676	0.1%	$ 3,920	0.1%	$ 35,323	0.3%	$ 8,150	0.1%	$ 5,741	0.3%	$ 8,448	0.9%	$ 27,217	0.3%	$ 8,457			$ 97,256	$ 4,444,932	$ 97,256
Burke	9,275	41	0	0.4%	27	15.3%	7.1%	1,438	0.2%	$ 5,358	0.0%	$ -	0.4%	$ 12,050	0.1%	$ 9,118	0.8%	$ 23,080	0.9%	$ 26,197	0.6%	$ 17,989			$ 93,792	$ 4,351,140	$ 93,792
Toombs	11,838	17	1	0.2%	26	15.4%	7.5%	1,829	0.1%	$ 2,222	0.0%	$ 4,415	0.1%	$ 4,145	0.1%	$ 8,780	0.8%	$ 23,231	0.9%	$ 27,615	0.7%	$ 22,880			$ 93,288	$ 4,257,852	$ 93,288
Fannin	17,104	68	2	0.4%	31	4.1%	9.4%	980	0.3%	$ 8,886	0.0%	$ 8,831	0.4%	$ 11,156	0.2%	$ 10,469	0.2%	$ 6,185	1.1%	$ 34,611	0.4%	$ 12,259			$ 92,398	$ 4,165,454	$ 92,398
Upson	12,310	44	3	0.4%	36	12.1%	3.8%	1,459	0.2%	$ 5,750	0.0%	$ 13,246	0.3%	$ 10,408	0.2%	$ 12,157	0.6%	$ 18,253	0.5%	$ 13,895	0.6%	$ 18,252			$ 91,961	$ 4,073,493	$ 91,961
Telfair	5,131	13	1	0.3%	4	23.5%	8.8%	681	0.1%	$ 1,699	0.0%	$ 4,415	0.2%	$ 7,438	0.0%	$ 1,351	1.2%	$ 35,450	1.1%	$ 32,345	0.3%	$ 8,519			$ 91,217	$ 3,982,277	$ 91,217
Putnam	12,301	60	2	0.5%	36	7.2%	6.6%	961	0.3%	$ 7,841	0.0%	$ 8,831	0.4%	$ 13,740	0.2%	$ 12,157	0.4%	$ 10,861	0.8%	$ 24,472	0.4%	$ 12,022			$ 89,923	$ 3,892,353	$ 89,923
Oglethorpe	6,213	6	0	0.1%	65	28.3%	3.7%	635	0.0%	$ 784	0.0%	$ -	0.1%	$ 2,633	0.4%	$ 21,951	1.4%	$ 42,691	0.4%	$ 13,622	0.3%	$ 7,944			$ 89,624	$ 3,802,730	$ 89,624
Tift	16,252	79	0	0.5%	38	11.3%	2.2%	2,202	0.3%	$ 10,324	0.0%	$ -	0.4%	$ 13,251	0.2%	$ 12,833	0.6%	$ 17,046	0.3%	$ 8,111	0.9%	$ 27,546			$ 89,111	$ 3,713,619	$ 89,111
Dooly	4,571	9	0	0.2%	9	21.4%	10.3%	722	0.0%	$ 1,176	0.0%	$ -	0.2%	$ 5,367	0.0%	$ 3,039	1.1%	$ 32,282	1.2%	$ 37,961	0.3%	$ 9,032			$ 88,858	$ 3,624,761	$ 88,858
Charlton	4,066	12	4	0.4%	11	15.7%	6.2%	651	0.1%	$ 1,568	0.0%	$ 17,661	0.3%	$ 10,727	0.1%	$ 3,715	0.8%	$ 23,684	0.7%	$ 22,672	0.3%	$ 8,144			$ 88,170	$ 3,536,591	$ 88,170
Tattnall	8,839	20	0	0.2%	17	15.7%	9.0%	1,238	0.1%	$ 2,614	0.0%	$ -	0.2%	$ 6,168	0.1%	$ 5,741	0.8%	$ 23,684	1.1%	$ 33,099	0.5%	$ 15,487			$ 86,792	$ 3,449,799	$ 86,792
Jeff Davis	5,637	20	0	0.4%	10	23.3%	6.8%	773	0.1%	$ 2,614	0.0%	$ -	0.3%	$ 9,672	0.1%	$ 3,377	1.1%	$ 35,148	0.8%	$ 24,987	0.3%	$ 9,670			$ 85,468	$ 3,364,331	$ 85,468
Marion	3,195	22	0	0.7%	11	18.6%	6.2%	485	0.1%	$ 2,875	0.0%	$ -	0.6%	$ 18,770	0.1%	$ 3,715	0.9%	$ 28,058	0.7%	$ 22,839	0.2%	$ 6,067			$ 82,324	$ 3,282,006	$ 82,324
Appling	7,971	18	0	0.2%	7	10.6%	11.5%	938	0.1%	$ 2,352	0.0%	$ -	0.2%	$ 6,156	0.0%	$ 2,364	0.5%	$ 15,990	1.4%	$ 42,314	0.4%	$ 11,734			$ 80,910	$ 3,201,096	$ 80,910
Chattahoochee	3,355	4	4	0.2%	2	11.8%	9.3%	228	0.0%	$ 523	0.0%	$ 17,661	0.2%	$ 6,500	0.0%	$ 675	0.6%	$ 17,800	1.1%	$ 34,080	0.1%	$ 2,852			$ 80,093	$ 3,121,003	$ 80,093
Macon	5,647	11	2	0.2%	6	10.0%	9.8%	783	0.0%	$ 1,437	0.0%	$ 8,831	0.2%	$ 6,276	0.0%	$ 2,026	0.5%	$ 15,085	1.2%	$ 36,073	0.3%	$ 9,795			$ 79,523	$ 3,041,480	$ 79,523
Terrell	4,688	31	0	0.7%	7	9.5%	8.7%	683	0.1%	$ 4,051	0.0%	$ -	0.6%	$ 18,026	0.0%	$ 2,364	0.5%	$ 14,331	1.0%	$ 31,937	0.3%	$ 8,544			$ 79,253	$ 2,962,227	$ 79,253
Morgan	7,550	48	2	0.7%	30	11.0%	2.5%	777	0.2%	$ 6,273	0.0%	$ 8,831	0.6%	$ 18,053	0.2%	$ 10,131	0.5%	$ 16,594	0.3%	$ 9,153	0.3%	$ 9,720			$ 78,754	$ 2,883,473	$ 78,754
Seminole	4,912	0	12	0.2%	1	1.1%	2.5%	589	0.0%	$ -	0.1%	$ 52,984	0.2%	$ 6,660	0.0%	$ 338	0.1%	$ 1,659	0.3%	$ 9,348	0.2%	$ 7,368			$ 78,356	$ 2,805,116	$ 78,356
Calhoun	2,343	1	8	0.4%	1	5.9%	4.6%	403	0.0%	$ 131	0.1%	$ 35,323	0.3%	$ 10,471	0.0%	$ 338	0.3%	$ 8,900	0.6%	$ 17,034	0.2%	$ 5,041			$ 77,238	$ 2,727,879	$ 77,238
Harris	12,952	64	1	0.5%	63	8.6%	1.7%	810	0.3%	$ 8,363	0.0%	$ 4,415	0.4%	$ 13,680	0.3%	$ 21,275	0.4%	$ 12,973	0.2%	$ 6,229	0.3%	$ 10,133			$ 77,070	$ 2,650,809	$ 77,070
Dade	6,456	44	1	0.7%	18	9.6%	5.1%	650	0.2%	$ 5,750	0.0%	$ 4,415	0.6%	$ 19,001	0.1%	$ 6,079	0.5%	$ 14,482	0.6%	$ 18,803	0.3%	$ 8,131			$ 76,661	$ 2,574,148	$ 76,661
Wilkinson	4,536	2	1	0.1%	9	21.4%	7.2%	603	0.0%	$ 261	0.0%	$ 4,415	0.1%	$ 1,803	0.0%	$ 3,039	1.1%	$ 32,282	0.9%	$ 26,455	0.2%	$ 7,543			$ 75,799	$ 2,498,349	$ 75,799
Grady	10,530	42	0	0.4%	19	10.7%	4.4%	1,652	0.2%	$ 5,489	0.0%	$ -	0.4%	$ 10,873	0.1%	$ 6,416	0.5%	$ 16,141	0.5%	$ 16,206	0.7%	$ 20,666			$ 75,791	$ 2,422,558	$ 75,791
Towns	8,303	5	1	0.1%	15	5.3%	13.1%	461	0.0%	$ 653	0.0%	$ 4,415	0.1%	$ 1,970	0.1%	$ 5,066	0.3%	$ 7,995	1.6%	$ 48,222	0.2%	$ 5,767			$ 74,089	$ 2,348,469	$ 74,089
Washington	8,537	8	1	0.1%	10	13.3%	6.7%	1,399	0.0%	$ 1,045	0.0%	$ 4,415	0.1%	$ 2,874	0.1%	$ 3,377	0.7%	$ 20,063	0.8%	$ 24,720	0.6%	$ 17,501			$ 73,996	$ 2,274,473	$ 73,996
Bacon	4,507	12	0	0.3%	4	9.8%	10.5%	726	0.1%	$ 1,568	0.0%	$ -	0.2%	$ 7,258	0.0%	$ 1,351	0.5%	$ 14,783	1.3%	$ 38,750	0.3%	$ 9,082			$ 72,792	$ 2,201,681	$ 72,792
Lee	11,700	50	0	0.4%	70	10.4%	1.7%	716	0.2%	$ 6,534	0.0%	$ -	0.4%	$ 11,649	0.4%	$ 23,639	0.5%	$ 15,689	0.2%	$ 6,145	0.3%	$ 8,957			$ 72,613	$ 2,129,068	$ 72,613
Twiggs	4,434	5	2	0.2%	9	20.5%	4.1%	727	0.0%	$ 653	0.0%	$ 8,831	0.1%	$ 4,304	0.0%	$ 3,039	1.0%	$ 30,925	0.5%	$ 15,094	0.3%	$ 9,094			$ 71,940	$ 2,057,128	$ 71,940
Wilkes	5,172	12	1	0.3%	5	15.6%	6.5%	750	0.1%	$ 1,568	0.0%	$ 4,415	0.2%	$ 6,852	0.0%	$ 1,689	0.8%	$ 23,533	0.8%	$ 23,977	0.3%	$ 9,382			$ 71,415	$ 1,985,713	$ 71,415
Pierce	7,550	21	0	0.3%	18	12.5%	6.3%	986	0.1%	$ 2,744	0.0%	$ -	0.2%	$ 7,582	0.1%	$ 6,079	0.6%	$ 18,856	0.8%	$ 23,383	0.4%	$ 12,334			$ 70,979	$ 1,914,734	$ 70,979
Glascock	1,215	2	0	0.2%	2	11.1%	12.6%	175	0.0%	$ 261	0.0%	$ -	0.1%	$ 4,487	0.0%	$ 675	0.5%	$ 16,745	1.5%	$ 46,491	0.1%	$ 2,189			$ 70,848	$ 1,843,886	$ 70,848
Jefferson	7,394	19	0	0.3%	6	9.5%	8.7%	1,041	0.1%	$ 2,483	0.0%	$ -	0.2%	$ 7,005	0.0%	$ 2,026	0.5%	$ 14,331	1.0%	$ 31,989	0.4%	$ 13,023			$ 70,856	$ 1,773,029	$ 70,856
Jenkins	3,957	9	0	0.2%	7	13.7%	8.8%	607	0.0%	$ 1,176	0.0%	$ -	0.2%	$ 6,200	0.0%	$ 2,364	0.7%	$ 20,667	1.1%	$ 32,401	0.2%	$ 7,593			$ 70,401	$ 1,702,628	$ 70,401
Warren	2,792	1	1	0.1%	5	20.0%	5.5%	510	0.0%	$ 131	0.0%	$ 4,415	0.1%	$ 1,953	0.0%	$ 1,689	1.0%	$ 30,170	0.7%	$ 20,290	0.2%	$ 6,380			$ 65,028	$ 1,637,601	$ 65,028
Dodge	8,470	19	1	0.2%	9	10.6%	4.9%	1,083	0.1%	$ 2,483	0.0%	$ 4,415	0.2%	$ 6,437	0.0%	$ 3,039	0.5%	$ 15,990	0.6%	$ 18,157	0.4%	$ 13,548			$ 64,069	$ 1,573,532	$ 64,069
Screven	7,117	3	0	0.0%	9	8.7%	8.7%	1,057	0.0%	$ 392	0.0%	$ -	0.0%	$ 1,149	0.0%	$ 3,039	0.4%	$ 13,124	1.0%	$ 31,971	0.4%	$ 13,223			$ 62,898	$ 1,510,634	$ 62,898
Worth	9,427	13	0	0.1%	17	11.6%	5.3%	1,150	0.1%	$ 1,699	0.0%	$ -	0.1%	$ 3,759	0.1%	$ 5,741	0.6%	$ 17,499	0.6%	$ 19,460	0.5%	$ 14,386			$ 62,544	$ 1,448,090	$ 62,544

CountyName	HousingUnits	NTS	REO	(NTS+REO)/HU	SubPrime	% SubPrime	VacancyRate	HHs w <50% of area income	NTS allocation		REO allocation		FR allocation	
Montgomery	3,786	15	0	0.4%	3	10.3%	7.4%	460	0.1%	$ 1,960	0.0%	$ -	0.4%	$ 10,800
Wheeler	2,480	0	0	0.0%	0	0.0%	15.6%	375	0.0%	$ -	0.0%	$ -	0.0%	$ -
Miller	2,804	1	0	0.0%	8	21.6%	5.2%	346	0.0%	$ 131	0.0%	$ -	0.0%	$ 972
Pulaski	4,230	6	1	0.2%	6	11.8%	5.9%	503	0.0%	$ 784	0.0%	$ 4,415	0.1%	$ 4,511
Turner	3,971	6	0	0.2%	2	6.7%	8.8%	666	0.0%	$ 784	0.0%	$ -	0.1%	$ 4,119
Long	4,320	6	0	0.1%	23	23.5%	0.2%	539	0.0%	$ 784	0.0%	$ -	0.1%	$ 3,786
Bleckley	5,132	2	0	0.0%	10	17.5%	4.0%	664	0.0%	$ 261	0.0%	$ -	0.0%	$ 1,062
Webster	1,132	0	0	0.0%	0	0.0%	14.2%	146	0.0%	$ -	0.0%	$ -	0.0%	$ -
Evans	4,602	5	0	0.1%	9	13.2%	4.5%	735	0.0%	$ 653	0.0%	$ -	0.1%	$ 2,962
Early	5,487	5	0	0.1%	3	4.4%	8.2%	877	0.0%	$ 653	0.0%	$ -	0.1%	$ 2,484
Greene	8,112	11	1	0.1%	20	5.7%	4.4%	833	0.0%	$ 1,437	0.0%	$ 4,415	0.1%	$ 4,033
Brooks	7,346	3	0	0.0%	5	3.7%	7.5%	1,195	0.0%	$ 392	0.0%	$ -	0.0%	$ 1,113
Berrien	7,527	18	2	0.3%	6	3.6%	3.6%	903	0.1%	$ 2,352	0.0%	$ 8,831	0.2%	$ 7,243
Cook	6,856	6	0	0.1%	5	4.1%	6.8%	1,027	0.0%	$ 784	0.0%	$ -	0.1%	$ 2,386
Candler	3,961	1	1	0.1%	1	2.6%	8.3%	630	0.0%	$ 131	0.0%	$ 4,415	0.0%	$ 1,376
Brantley	6,608	1	0	0.0%	3	2.7%	9.6%	496	0.0%	$ 131	0.0%	$ -	0.0%	$ 413
Lincoln	4,776	22	0	0.5%	4	6.7%	4.0%	419	0.1%	$ 2,875	0.0%	$ -	0.4%	$ 12,557
Taylor	4,197	4	0	0.1%	0	0.0%	10.0%	516	0.0%	$ 523	0.0%	$ -	0.1%	$ 2,598
Johnson	3,654	3	0	0.1%	3	21.4%	0.9%	548	0.0%	$ 392	0.0%	$ -	0.1%	$ 2,238
Clinch	2,908	5	0	0.2%	4	8.5%	5.7%	410	0.0%	$ 653	0.0%	$ -	0.2%	$ 4,687
Quitman	1,816	0	0	0.0%	2	8.7%	8.0%	151	0.0%	$ -	0.0%	$ -	0.0%	$ -
Lanier	3,400	0	0	0.0%	4	4.7%	8.4%	422	0.0%	$ -	0.0%	$ -	0.0%	$ -
Echols	1,521	1	1	0.1%	0	0.0%	8.9%	216	0.0%	$ 131	0.0%	$ 4,415	0.1%	$ 3,584
McIntosh	6,711	9	0	0.1%	13	6.9%	4.0%	710	0.0%	$ 1,176	0.0%	$ -	0.1%	$ 3,656
Hancock	4,658	2	1	0.1%	5	5.6%	2.7%	688	0.0%	$ 261	0.0%	$ 4,415	0.1%	$ 1,756
Stewart	2,352	0	0	0.0%	0	0.0%	8.2%	329	0.0%	$ -	0.0%	$ -	0.0%	$ -
Atkinson	3,213	3	0	0.1%	2	11.8%	1.7%	457	0.0%	$ 392	0.0%	$ -	0.1%	$ 2,545
Clay	1,961	0	0	0.0%	0	0.0%	6.1%	306	0.0%	$ -	0.0%	$ -	0.0%	$ -
Treutlen	2,878	0	0	0.0%	1	5.6%	3.0%	378	0.0%	$ -	0.0%	$ -	0.0%	$ -
Baker	1,765	0	0	0.0%	1	11.1%	0.2%	264	0.0%	$ -	0.0%	$ -	0.0%	$ -
Schley	1,645	2	0	0.1%	0	0.0%	3.1%	259	0.0%	$ 261	0.0%	$ -	0.1%	$ 3,314
Randolph	3,400	0	0	0.0%	1	4.8%	0.9%	552	0.0%	$ -	0.0%	$ -	0.0%	$ -
Taliaferro	1,109	0	0	0.0%	0	0.0%	2.4%	161	0.0%	$ -	0.0%	$ -	0.0%	$ -
SUM	**3,961,474**	**58,634**	**27,221**	**134.77%**	**43,913**	**2191.6%**	**862.88%**	**434,036**	**2**	**7,656,033**	**2**	**106,351,299**	**1.165**	**4,328,460**
SUM2	**2,326,457**	**23,487**	**9,037**	**112.59%**	**18,177**	**2035%**	**833%**	**245,348**	**1**	**3,069,212**	**100.0%**	**39,899,760**	**100.0%**	**3,069,212**

CountyName	SubPrime allocation		% SubPrime allocation		VR allocation		HHs w <50% income allocation		Total $	HUD Allocated	State Allocation Amount		HUD+State
Montgomery	0.0%	$ 1,013	0.5%	$ 15,538	0.9%	$ 27,128	0.2%	$ 5,754			**$ 62,194**	**$ 1,385,896**	**$ 62,194**
Wheeler	0.0%	$ -	0.0%	$ -	1.9%	$ 57,395	0.2%	$ 4,691			**$ 62,086**	**$ 1,323,810**	**$ 62,086**
Miller	0.0%	$ 2,702	1.1%	$ 32,584	0.6%	$ 19,206	0.1%	$ 4,328			**$ 59,923**	**$ 1,263,887**	**$ 59,923**
Pulaski	0.0%	$ 2,026	0.6%	$ 17,800	0.7%	$ 21,599	0.2%	$ 6,292			**$ 57,429**	**$ 1,206,458**	**$ 57,429**
Turner	0.0%	$ 675	0.3%	$ 10,107	1.1%	$ 32,321	0.3%	$ 8,331			**$ 56,337**	**$ 1,150,121**	**$ 56,337**
Long	0.1%	$ 7,767	1.2%	$ 35,450	0.0%	$ 844	0.2%	$ 6,743			**$ 55,375**	**$ 1,094,747**	**$ 55,375**
Bleckley	0.1%	$ 3,377	0.9%	$ 26,399	0.5%	$ 14,758	0.3%	$ 8,306			**$ 54,164**	**$ 1,040,582**	**$ 54,164**
Webster	0.0%	$ -	0.0%	$ -	1.7%	$ 52,219	0.1%	$ 1,826			**$ 54,045**	**$ 986,537**	**$ 54,045**
Evans	0.0%	$ 3,039	0.6%	$ 19,912	0.5%	$ 16,424	0.3%	$ 9,195			**$ 52,186**	**$ 934,351**	**$ 52,186**
Early	0.0%	$ 1,013	0.2%	$ 6,637	1.0%	$ 30,373	0.4%	$ 10,971			**$ 52,132**	**$ 882,219**	**$ 52,132**
Greene	0.1%	$ 6,754	0.3%	$ 8,599	0.5%	$ 16,183	0.3%	$ 10,421			**$ 51,841**	**$ 830,378**	**$ 51,841**
Brooks	0.0%	$ 1,689	0.2%	$ 5,582	0.9%	$ 27,802	0.5%	$ 14,949			**$ 51,526**	**$ 778,852**	**$ 51,526**
Berrien	0.0%	$ 2,026	0.2%	$ 5,431	0.4%	$ 13,366	0.4%	$ 11,296			**$ 50,546**	**$ 728,306**	**$ 50,546**
Cook	0.0%	$ 1,689	0.2%	$ 6,185	0.8%	$ 25,168	0.4%	$ 12,847			**$ 49,059**	**$ 679,248**	**$ 49,059**
Candler	0.0%	$ 338	0.1%	$ 3,922	1.0%	$ 30,525	0.3%	$ 7,881			**$ 48,588**	**$ 630,660**	**$ 48,588**
Brantley	0.0%	$ 1,013	0.1%	$ 4,073	1.2%	$ 35,459	0.2%	$ 6,205			**$ 47,294**	**$ 583,366**	**$ 47,294**
Lincoln	0.0%	$ 1,351	0.3%	$ 10,107	0.5%	$ 14,579	0.2%	$ 5,242			**$ 46,710**	**$ 536,656**	**$ 46,710**
Taylor	0.0%	$ -	0.0%	$ -	1.2%	$ 36,927	0.2%	$ 6,455			**$ 46,503**	**$ 490,153**	**$ 46,503**
Johnson	0.0%	$ 1,013	1.1%	$ 32,282	0.1%	$ 3,425	0.2%	$ 6,855			**$ 46,206**	**$ 443,947**	**$ 46,206**
Clinch	0.0%	$ 1,351	0.4%	$ 12,822	0.7%	$ 21,145	0.2%	$ 5,129			**$ 45,788**	**$ 398,159**	**$ 45,788**
Quitman	0.0%	$ 675	0.4%	$ 13,124	1.0%	$ 29,455	0.1%	$ 1,889			**$ 45,144**	**$ 353,015**	**$ 45,144**
Lanier	0.0%	$ 1,351	0.2%	$ 7,090	1.0%	$ 31,086	0.2%	$ 5,279			**$ 44,806**	**$ 308,209**	**$ 44,806**
Echols	0.0%	$ -	0.0%	$ -	1.1%	$ 32,688	0.1%	$ 2,702			**$ 43,521**	**$ 264,688**	**$ 43,521**
McIntosh	0.1%	$ 4,390	0.3%	$ 10,409	0.5%	$ 14,728	0.3%	$ 8,882			**$ 43,240**	**$ 221,448**	**$ 43,240**
Hancock	0.0%	$ 1,689	0.3%	$ 8,448	0.3%	$ 10,108	0.3%	$ 8,607			**$ 35,283**	**$ 186,165**	**$ 35,283**
Stewart	0.0%	$ -	0.0%	$ -	1.0%	$ 30,189	0.1%	$ 4,116			**$ 34,305**	**$ 151,860**	**$ 34,305**
Atkinson	0.0%	$ 675	0.6%	$ 17,800	0.2%	$ 6,111	0.2%	$ 5,717			**$ 33,241**	**$ 118,619**	**$ 33,241**
Clay	0.0%	$ -	0.0%	$ -	0.7%	$ 22,489	0.1%	$ 3,828			**$ 26,317**	**$ 92,302**	**$ 26,317**
Treutlen	0.0%	$ 338	0.3%	$ 8,448	0.4%	$ 10,871	0.2%	$ 4,729			**$ 24,385**	**$ 67,916**	**$ 24,385**
Baker	0.0%	$ 338	0.5%	$ 16,745	0.0%	$ 866	0.1%	$ 3,303			**$ 21,250**	**$ 46,666**	**$ 21,250**
Schley	0.0%	$ -	0.0%	$ -	0.4%	$ 11,445	0.1%	$ 3,240			**$ 18,260**	**$ 28,406**	**$ 18,260**
Randolph	0.0%	$ 338	0.2%	$ 7,241	0.1%	$ 3,232	0.2%	$ 6,905			**$ 17,716**	**$ 10,689**	**$ 17,716**
Taliaferro	0.0%	$ -	0.0%	$ -	0.3%	$ 8,675	0.1%	$ 2,014			**$ 10,689**	**$ (0)**	**$ 10,689**
SUM	**2**	**15,107,458**	**1**	**3,617,414**	**1**	**3,331,298**	**1**	**6,395,703**			74,001,720		149,954,047
SUM2	**100.0%**	**$ 6,138,425**	**100.0%**	**3,069,212**	**100.0%**	**3,069,212**	**100.0%**	**3,069,212**			61,384,245		61,384,245

*Note: Raw data variables reflected in percentage terms represent the City of Savannah share of the variable as a percentage of Chatham County total.

**Raw data for Chatham County exclude the City of Savannah.

APPENDIX 2 page 2 Revised - Published 12/15/2008

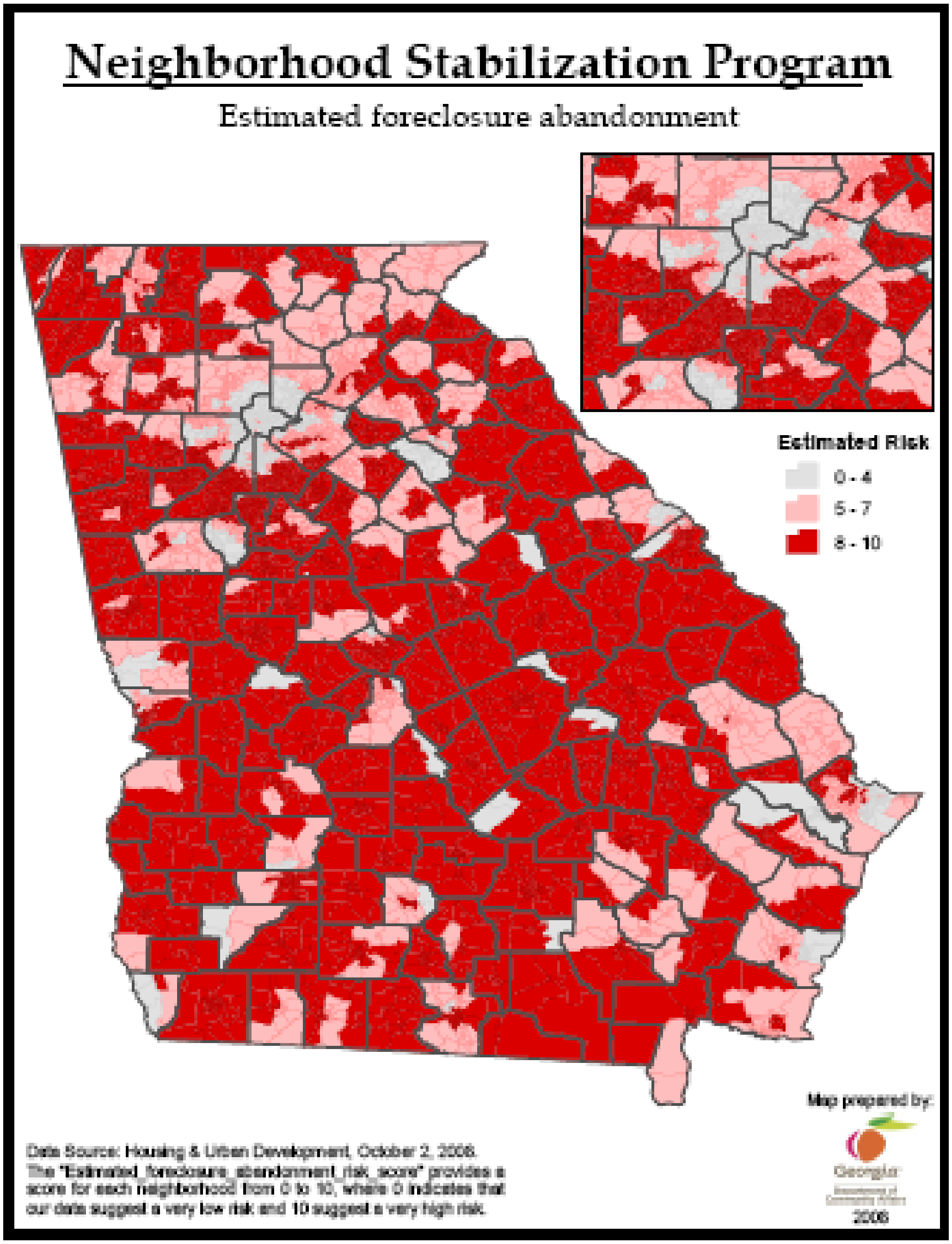
CITY AND COUNTY BREAKOUTS FOR COUNTIES ELIGIBLE FOR DIRECT ALLOCATION

	State allocation	Ratio of housing units	City allocation	County allocation	
Barrow *Winder	$ 1,417,240	0.2368	$ 335,629	$ 1,081,612	
Bartow *Cartersville	$ 1,167,458	0.2132	$ 248,903	$ 918,555	
Bibb *Macon	$ 4,151,543	0.6194	$ 2,571,649	$ 1,579,894	
Carrol *Carrolton	$ 2,622,059	0.2224	$ 583,187	$ 2,038,872	
Catoosa *Ringgold	$ 540,296	0.0512	$ 27,661	$ 512,634	
Cherokee *Canton	$ 3,210,980	0.0554	$ 177,992	$ 3,032,988	
Cobb *Marietta	$ 1,693,221	0.0970	$ 164,190	$ 1,529,031	
Columbia *Evans	$ 634,162	0.1990	$ 126,214	$ 507,947	
Coweta *Newnan	$ 2,124,021	0.1948	$ 413,755	$ 1,710,266	
Dougherty *Albany	$ 801,214	0.7998	$ 640,844	$ 160,370	
Douglas *Douglasville	$ 3,809,526	0.2251	$ 857,607	$ 2,951,919	
Effingham *Springfield	$ 539,183	0.0497	$ 26,781	$ 512,403	
Fayette *Fayetteville	$ 1,178,544	0.1397	$ 164,650	$ 1,013,894	
Floyd *Rome	$ 272,561	0.3962	$ 107,998	$ 164,562	
Forsyth *Cumming	$ 1,905,089	0.0413	$ 78,655	$ 1,826,434	
Fulton *Atlanta	$ 7,896,987	0.5050	$ 3,988,317	$ 2,303,679	< minus Atlanta, Roswell and Sandy Springs
Fulton *Roswell	$ 7,896,987	0.0913	$ 721,321		
Fulton *Sandy Springs	$ 7,896,987	0.1119	$ 883,670		
Glynn *Brunswick	$ 237,759	0.2130	$ 50,649	$ 187,110	
Gordon *Calhoun	$ 504,787	0.2507	$ 126,540	$ 378,246	
Gwinnett *Lawrenceville	$ 3,004,227	0.0361	$ 108,564	$ 2,895,663	
Hall *Gainesville	$ 2,263,680	0.1778	$ 402,501	$ 1,861,179	
Henry *McDonough	$ 6,251,265	0.0732	$ 457,444	$ 5,793,821	
Houston *Warner Robins	$ 622,359	0.4873	$ 303,254	$ 319,104	
Jackson *Jefferson	$ 720,642	0.0938	$ 67,595	$ 653,047	
Liberty *Hinesville	$ 139,960	0.5343	$ 74,778	$ 65,182	
Lowndes *Valdosta	$ 186,680	0.5173	$ 96,566	$ 90,114	
Newton *Covington	$ 2,170,830	0.1972	$ 428,070	$ 1,742,760	
Paulding *Dallas	$ 2,552,129	0.0734	$ 187,424	$ 2,364,705	
Polk *Cedartown	$ 552,909	0.2419	$ 133,727	$ 419,182	
Rockdale *Conyers	$ 2,700,020	0.1668	$ 450,321	$ 2,249,699	
Chatham *Savannah	$ 926,308	n/a	n/a	n/a	
Spalding *Griffin	$ 1,475,702	0.4189	$ 618,207	$ 857,495	
Walton *Monroe	$ 1,505,104	0.2061	$ 310,162	$ 1,194,941	
Whitfield *Dalton	$ 310,054	0.3330	$ 103,234	$ 206,820	
Total	**$ 60,088,498**	<minus double counted Fulton	**$ 16,038,060**	**$ 43,124,131**	

*Note: The Cities receiving allocations are the county seats and any HUD Entitlement Cities.

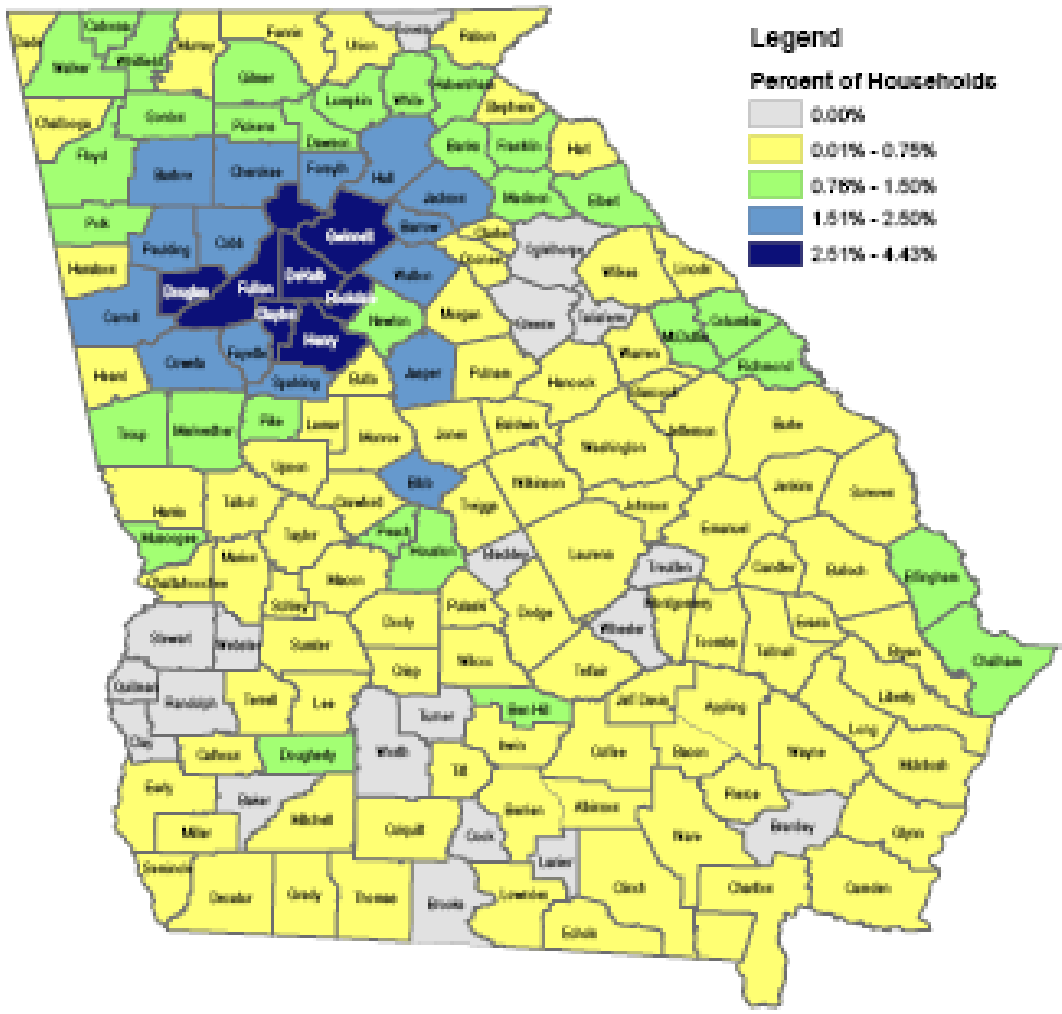
**Note: Not listed above are the Cities of Jonesboro, Decatur and Columbus since their respective Counties did not qualify for the State direct allocation.

Appendix 3


Neighborhood Stabilization Program
Estimated foreclosure abandonment
Estimated Risk
0 - 4
5 - 7
8 - 10
Map prepared by:
Georgia
2008
Data Source: Housing & Urban Development, October 2, 2008.
The "Estimated_foreclosure_abandonment_risk_score" provides a score for each neighborhood from 0 to 10, where 0 indicates that our data suggest a very low risk and 10 suggest a very high risk.

Georgia Notices of Default, Sale, Foreclosure and Real Estate Owned Property

January through July, 2008



Data source: Realty Trac, 2008
Map prepared by Georgia Department of Community Affairs, 2008

Appendix 4

Applications for Direct Allocation under NSP will be rated on the following criteria:
NOTE: Feasibility considerations are the *minimum threshold* an application must meet in order to be awarded NSP funding through Georgia's NSP.

<u>Feasibility</u>
1) Prioritization of assistance to area(s) of highest and greatest need for eligible LMMI areas and areas with a high foreclosure and abandonment risk.
Plan must clearly describe methodology for identifying area(s) where activities will take place (including but not limited to problems to be addressed and underlying causes for identified problems) and activities that will be carried out to address those problems. Applicants should prioritize assistance to LMMI areas and identified as facing future abandonment and foreclosure risks.

2) Applicant's administrative capacity, understanding and history of successfully completing CDBG and HERA type activities.
Plan must include specific description of the ability of existing staff to handle increased workload; the level of match between the skill sets of existing staff and the skills needed to carryout the proposal submitted to DCA. If such capacity doesn't exist, the applicant should indicate how it will procure or obtain such capacity in order to meet the 18 month timeframe for completing program activities.

3) Clearly identified needs (e.g. specific eligible properties, or at a minimum neighborhoods), implementation plan with specific eligible activities, and documentation of ability to implement activities quickly.
Plan must identify all needs to be met including specific eligible properties and the applicant's ability to implement the required discounted purchase (15% discount off of a current appraised value), sale or rental of the property to eligible LMMI using an eligible NSP activity. If specific properties are not yet identified, the applicant should indicate the neighborhood(s) that it will operate in, how the neighborhoods are eligible and its plan to meet the aforementioned implementation requirements.

4) Congruence between DCA's initial proposed allocation, funds requested through the local proposal, and the activities chosen to address the needs described.
Plan must demonstrate reasonableness of cost for proposed activities and how the activities meet the needs described in the proposal. Budget should also include additional sources (if applicable) and their use.

5) Adequacy of local proposal to have 25% of proposed allocation benefit persons below 50% of AMI.
Plan must clearly state how the program will spend at a minimum, 25% of the funds for households and individuals below 50% of Area Median Income.

<u>Strategy</u>
6) Readiness to proceed with specific activities.
Plan must clearly describe ability to achieve program goals including timelines and milestones to be achieved over the projects duration.

7) Efficiency and effectiveness of the proposed activities (e.g. when purchasing units or property for rehabilitation and sale within the local market, the jurisdiction is generally targeting units that require reasonable assistance to become "affordable housing" for LMMI persons; i.e. Rehabilitation in preparation for sale).
Plan must describe the mechanisms through which activity goals will be achieved.

8) Demonstrated understanding of applicable laws and regulations.
Plan must demonstrate clear understanding of federal and state laws, as applicable to NSP (Environmental, URA, Labor, Lead-based Paint, Etc.)

9) Description of implementation partnerships (if any) and documentation of partner roles and agreements.
Plan must identify all program partners (non-profits, lending partners, other financial partners, counseling agencies, etc.) and include documentation from those partners that outlines the roles they will play in implementation of the program.

10) Needed agreements (e.g. options, contracts, leases, etc.) are in place and ready to implement upon award.
Plan should include partner agreements, real estate options, leases (where applicable) and sample contract documents.

Sonny Perdue
Governor

Georgia
Department of
Community Affairs

Mike Beatty
Commissioner

MEMORANDUM

TO: DCA Board Members, Mayors, County Commission Chairs, RDC Executive Directors, Other Interested Parties

FROM: Brian Williamson, Assistant Commissioner
Community Development and Finance Division

RE: Supplemental CDBG Neighborhood Stabilization Program

DATE: October 8, 2008

The Georgia Department of Community Affairs has been notified by the U.S. Department of Housing and Urban Development (HUD) that the State of Georgia will be directly allocated $77 million under HUD's new Neighborhood Stabilization Program (NSP). Some of the state's entitlement communities are also receiving direct HUD allocations totaling another $76 million. The program has been initiated as a result of the passage of Title III of the Housing and Economic Recovery Act of 2008. A summary of the Act is attached for your information. In brief, the Act is designed to provide emergency assistance to state and local governments to acquire and redevelop foreclosed residential properties within low- and moderate-income areas that might otherwise become sources of abandonment and blight within their communities. Please see further information at DCA's website:
www.dca.state.ga.us/communities/CDBG/index.asp and HUD's web site
http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/.

Please note that not all areas of the state may meet the federal government's definition as "areas of greatest need". DCA is currently working on an Action Plan that will define areas of need using the public and private data sources described on DCA's website. The Action Plan and Method of Distribution must be approved by HUD before funds are actually allocated to the state. Our initial considerations on data sources and approaches can be viewed on the 9/11/2008 presentation under the link "Advisory Group Invitees" on the above-referenced DCA web page.

Although these funds are to be treated as Community Development Block Grant (CDBG) funds, many differences exist between CDBG and NSP funds. Primarily, NSP funds are emergency funds and must be obligated for direct activities within 18 months of formal award. The formal award to the State of Georgia is expected on January 15, 2009. Also, NSP activities are limited to the acquisition, redevelopment, and resale of foreclosed properties along with limited provisions for supporting activities. The Act's definition of low- to moderate-income (for NSP funds only) has been revised to include families of up to 120 percent of area median income. Finally, the State of Georgia may make grants directly to local governments or other governmental and non-governmental agencies in addition to being able to contract directly with service providers. Obviously, with such a short time frame for implementation, program recipients will have to have robust capacity to undertake approved activities. Interested local governments are encouraged to have conversations with their existing departments, ancillary agencies or authorities to determine whether such capacity exists. Partnerships between governmental entities and non-governmental service providers are also encouraged as one method of addressing the capacity issue.

Because of the severely limited timeframe for implementation, DCA has already assembled an advisory group. See the DCA web link above for information on the group and on the process we are using to obtain advice before we submit our Action Plan proposal to HUD on or before December 1, 2008.

There are several things that you can do to assist DCA with this program and prepare your community to take advantage of this new opportunity.

- Check the web pages listed above frequently for program announcements.
- Participate in the Housing and Redevelopment Workshop, October 21-23, 2008, at Lake Blackshear. See the information at www.dca.state.ga.us/communities/CDBG/index.asp.
- Please answer the attached questionnaire and return to DCA by October 24, 2008.

We appreciate your time and attention to these matters.

BW/sr

Summary of CDBG Portion of HR3221

$4 Billion in CDBG for Neighborhood Stabilization

The bill provides $3.92 billion in supplemental CDBG funds to be allocated to states and localities and used to stabilize neighborhoods and communities impacted by foreclosures. The funds can be used for:

- the discounted purchase and redevelopment of foreclosed homes and abandoned residential properties
- the establishment of land banks for foreclosed homes
- the establishment of financial tools such as "soft" second and shared equity mortgages and loan loss reserves
- the demolition of blighted structures
- the redevelopment of demolished or vacant properties.

The allocation of the funds will be based on a formula to be established by HUD within 60 days of the passage of the Act. The formula is supposed to insure that the money goes to the states and cities that need it most and must take into account:

- the number and percentage home foreclosures in each state or locality
- the number and percentage of homes financed by subprime mortgages
- the number and percentage of homes in default or delinquency

The funds must be distributed by HUD not later than 30 days after the establishment of the formula and states and localities must use them funds within 18 months after they receive them.

The funds are intended to primarily assist households at or below 120 percent of area median income. At least a quarter of the funds must assist very low-income households.

Neighborhood Stabilization Program Questionnaire

Instructions: Please fill out this questionnaire and return it to DCA as soon as possible. The information you provide will be critical to the development of our Action Plan for the new Neighborhood Stabilization Program (NSP). Return the questionnaire by faxing it to (770) 302-9625 or by going to the following link and answering the questionnaire online:
http://www.surveymonkey.com/s.aspx?sm=NxkQy_2fAYp_2f5KxZavxXV24w_3d_3d.
If you prefer to mail the questionnaire, please mail it to: Department of Community Affairs, 60 Executive Park South, Atlanta, Georgia 30329-2231, Attn: Michelle Lewis. Thank you for your assistance.

Local Government: ______________________________

Name of Local Official Preparing Questionnaire: ______________________

Title of Official Preparing Questionnaire ______________________

Contact Information:

____
Telephone Number

____
Email Address

1. Are you familiar with the NSP program as described on DCA's web site?
______ Yes ______ No

2. Would your local government be interested in participating in the NSP program, either directly or through a partnership with another governmental or private service provider?
______ Yes, directly ______ Yes, through a partnership with another local government or authority; ______ Yes, through a private service provider; ____ No, not interested in participating.

Please explain your preference here: ______________________________

____

____

____

3. If you answered "Yes" to Question 2, please explain how you could take advantage of the program. For example, tell us whether you have the administrative capacity to quickly identify and acquire foreclosed and blighted properties for redevelopment (sale or rental) within areas at or below 120 percent of area median income (LMMI) or for families that are LMMI and whether you have ready access to both a pool of such properties and a pool of qualified families or could quickly develop such pools. ______________________________

____

Neighborhood Stabilization Program Questionnaire

Page Two

4. If you answered "Yes" to Question 2, please provide us with information regard the number of eligible residential units that your organization could realistically manage and commit within 18 months after grant award: ____________________

5. If you answered "Yes" to question 2, please provide us with a breakdown of the numbers and types of properties you estimate can be assisted by NSP in your community.

# of foreclosed properties that you are able to acquire:	________
# of foreclosed properties that you are able to rehabilitate to prepare for re-sale or rent:	________
# of foreclosed properties that you are able to re-sell or rent:	________
# of dilapidated structures that you are able to acquire and demolish:	________
After acquiring and demolishing, the # of vacant parcels that you are able to redevelop:	________

6. Please provide us with other feedback and ideas about how your community and the State of Georgia can best take advantage of these funds: ____________________

	Would your local government be interested in participating in the NSP program?				**Provide us with a breakdown of the numbers and types of properties you would like to address.**				
	Yes, directly	Yes, through a partnership with another local government or authority	Yes, through a private service provider	No, not interested in participating	# of foreclosed properties that you are able to acquire	# of foreclosed properties that you are able to rehabilitate to prepare for re-sale or rent	# of foreclosed properties that you are able to re-sell or rent	# of dilapidated structures that you are able to acquire and demolish	After acquiring and demolishing, the # of vacant parcels that you are able to redevelop
Total Program Demand	**35**	**24**	**13**	**4**	**1763**	**972**	**1090**	**1585**	**860**
Total Demand From Highest Third of Counties Based on Allocation	25	15	10	1	1443	724	859	926	619
Percent of Demand From Highest Third of Counties	71%	63%	77%	25%	82%	74%	79%	58%	72%

Types of Respondents by Entitlement/Non-Entitlement and Top Third of Need/Bottom Two-Thirds of Need:

Entitlement Areas	15
Non-Entitlement Areas	38
Total Responses	53
Ranked in the top third of areas of greatest need	34
Ranked in the bottom two-thirds of areas of greatest need	19
Total Responses	53

Appendix 7

Written Comments Submitted to DCA Concerning the Neighborhood Stabilization Program

Arnall Golden Gregory LLP

Direct phone: 404.873.8708
Direct fax: 404.873.8709
E-mail: althea.broughton@agg.com
www.agg.com

November 25, 2008

VIA EMAIL – nsp.sacomments@dca.ga.gov

NSP Coordinator
Georgia Department of Community Affairs
60 Executive Park South, NE
Atlanta, Georgia 30329

RE: ***Comments to the Georgia Neighborhood Stabilization Program ("NSP") Action Plan Amendment***

Dear Sir or Madam:

In response to the Department of Community Affairs' ("DCA") request for comments on its proposed NSP Action Plan Amendment we would like to offer the following comments.

As currently drafted, the direct NSP activities through the Georgia Housing and Finance Authority (Flexible Pool) contemplates that NSP funds will be allocated to projects using three specific programs as a framework for award decisions: the Low Income Housing Tax Credit Program, the Permanent Supportive Housing Program, and the GHFA/NSP Blight Program.

We would propose that an additional fourth activity be added for the Flexible Pool direct activities. This specific activity would be for acquisition of properties where none of the three prior programs listed would be used by the applicant. We believe this additional use would facilitate the use of NSP funds for the acquisition of eligible properties because such acquisitions would not necessarily be tied to the three previously mentioned programs.

If you have any further questions, please do not hesitate to contact me at (404) 873-8708.

Sincerely,

Althea J. K. Broughton

AJKB/kjm

cc: Ms. Carmen Chubb (DCA)
Mr. Brian Williamson (DCA)
Ms. Cassandra Knight (DCA)
Alison M. Drummond, Esq.

2508097v1

-----Original Message-----
From: bhughes815@earthlink.net [mailto:bhughes815@earthlink.net]
Sent: Friday, November 14, 2008 12:26 PM
To: nsp.sacomments
Subject: NSP Allocation

A proposal to allow any jurisdiction already receiving their own NSP Allocation to receive NSP funds through the State Allocation (DCA) if their jurisdiction has insufficient funds to cover their needs/projects.

DeKalb County Board of Commissioners

The Legislative Branch

District Commissioners

District 1 Elaine Boyer
District 2 Jeff Rader
District 3 Larry Johnson
District 4 Burrell Ellis

District Commissioners

District 5 Lee May
District 6 Kathie Gannon
District 7 Connie Stokes

Chief of Staff
Keith Barker

November 21, 2008

Mr. Brian Williamson, Assistant Commissioner
Community Development and Finance Division
Georgia Department of Community Affairs
60 Executive Park South, NE
Atlanta, Georgia 30329

Subject: Comments on the State's Proposed Neighborhood Stabilization Program

Dear Mr. Williamson:

I am writing to you on behalf of the DeKalb County Board of Commissioners regarding the State's proposed Neighborhood Stabilization Program (NSP). We understand the State has the challenge of deciding how to allocate the NSP funds equitably, but were dismayed to learn that the State developed a method to distribute its NSP Funds that excluded DeKalb County, Clayton County and Muscogee County. Based on the methodology used by the State, these three jurisdictions are among the top areas of greatest need, using the HUD criteria.

We urge you to reconsider your premise that the State should not make a direct allocation to DeKalb County based on the amount that we were allocated directly from HUD. The Congressional intent, the HUD training and the HUD regulations reflect that the allocation to the states were increased so that they could make an allocation to those jurisdictions of greatest need, even if they had received a direct allocation. Based on recent data analysis, nearly 50% of the foreclosures in the State of Georgia were located in DeKalb, Gwinnett, and Fulton Counties (including Atlanta).

We believe that we have devised a methodology that would ensure that areas with greatest need fairly receive allocation without compromising the needs of other jurisdictions across the state. The attached summary provides details on the proposed formula by Ms. Chris Morris, Director of Community Development, as an equitable way to help not only DeKalb County, but the entire State. Also attached is an agenda item and resolution approved by the DeKalb Board of Commissioners on November 18, 2008.

In the challenging days ahead, we must collaboratively work to mitigate the tremendous negative impact foreclosures have had in our communities. We respectfully request your reconsideration for the distribution and allocation of funds to include DeKalb County. While the County has received a direct allocation from HUD, we still need assistance in making an impact on our foreclosure crisis. Thank you for your consideration.

Sincerely,

Commissioner Kathie Gannon
Presiding Officer
Board of Commissioners
DeKalb County, Georgia

Attachments:

Summary Recommendations by Chris H. Morris
Agenda Item and Resolution approved by Board of Commissioners

cc: DeKalb County Board of Commissioners
DeKalb County CEO Vernon Jones
DeKalb County Community Development Director
DeKalb County State and Federal Delegation

REV. 10/02

DEKALB COUNTY
BOARD OF COMMISSIONERS
BUSINESS AGENDA / MINUTES
MEETING DATE: November 18, 2008

ITEM NO.	H29

HEARING TYPE
Preliminary

ACTION TYPE
Resolution

SUBJECT: Resolution of Support Urging the State of Georgia Department of Community Affairs to Include DeKalb County in Allocation of Their Neighborhood Stabilization Program Funds

DEPARTMENT:	Board of Commissioners
ATTACHMENT:	☒ YES ☐ No
PAGES:	2
PUBLIC HEARING:	☐ YES ☒ NO
INFORMATION CONTACT:	Board of Commissioners & Community Development Department
PHONE NUMBER:	404-371-2886

PURPOSE:

To consider adopting the attached Resolution urging the State of Georgia Department of Community Affairs to include DeKalb County in allocation of their Neighborhood Stabilization Program funds.

NEED/IMPACT:

Although HUD has provided data to state and local governments identifying areas of greatest need based on the number and percentage of foreclosures, the number and percentage of subprime loans; and the number and percentage of defaults and delinquencies; and the HUD regulations, specifically and clearly state that the allocations received by the states 'should' provide funds to local governments that receive direct allocations, the State, has determined that although DeKalb County was one of the top areas in the State with the greatest needs, it did not allocate any of its NSP resources to DeKalb County.

RECOMMENDATION(S):

Adopt the attached Resolution urging the State of Georgia Department of Community Affairs to include DeKalb County in allocation of their Neighborhood Stabilization Program funds, and to send the Resolution to The Governor, Department of Community Affairs and state and federal delegations.

RESOLUTION

A RESOLUTION BY THE GOVERNING AUTHORITY OF DEKALB COUNTY, GEORGIA URGING THE STATE OF GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS TO INCLUDE DEKALB COUNTY IN ALLOCATION OF THEIR NEIGHBORHOOD STABILIZATION PROGRAM FUNDS

WHEREAS, the State of Georgia is ranked sixth in the nation with the highest number of foreclosures; and

WHEREAS, DeKalb County is recognized as among the top three local governments in the State of Georgia with the highest number of foreclosures; and

WHEREAS, the United States Department of Housing and Urban Development (HUD) Neighborhood Stabilization Program (NSP) will provide emergency assistance to state and local governments to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities through grants; and

WHEREAS, HUD provided data to state and local governments for allocating funds and identifying areas of greatest need that considers the number and percentage of foreclosures, the number and percentage of subprime loans; and the number and percentage of defaults and delinquencies; and the HUD regulations, specifically and clearly on page 56 state that the allocations received by the states "SHOULD" PROVIDE FUNDS TO LOCAL GOVERNMENTS THAT RECEIVE DIRECT ALLOCATIONS;

WHEREAS, the State determined that DeKalb County was one of the top areas in the State with the greatest needs, it did not allocate any of its NSP resources to DeKalb County.

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING AUTHORITY OF DEKALB COUNTY, GEORGIA, AND IT IS HEREBY RESOLVED THAT:

1. The Governing Authority urges the Georgia Department of Community Affairs to allocate Neighborhood Stabilization Funds directly to DeKalb County and the other local governments that are areas of greatest needs.

SO RESOLVED BY THE GOVERNING AUTHORITY OF DEKALB COUNTY, GEORGIA.

ADOPTED by the DeKalb County Board of Commissioners, this ___18___ day of __November____, 2008.

KATHIE GANNON
Presiding Officer
Board of Commissioners
DeKalb County, Georgia

APPROVED by the Chief Executive Officer of DeKalb County, this
21 day of November, 2008.

VERNON JONES
Chief Executive Officer
DeKalb County, Georgia

ATTEST:

MICHAEL J. BELL
Ex-Officio Clerk County Attorney
Board of Commissioners and
Chief Executive Officer
DeKalb County, Georgia

APPROVED AS TO FORM:

WILLIAM J. LINKOUS III
County Attorney

1. The State of Georgia received a HUD allocation of $77,085,125 for Neighborhood Stabilization efforts. Additionally, nine (9) entitlement jurisdictions received $75,952,326 as a direct allocation from HUD.

2. HERA stipulated regulations require distribution of funds based on the three categories; percentage of homes foreclosures, highest percentage of homes financed by subprime mortgages, and areas likely to face a significant rise in the rate of foreclosures, to the areas in the State of Georgia that have the greatest needs for Neighborhood Stabilization.

3. The statistical data provided by HUD to all States and Counties currently represent the referenced guidance. In essence, the nine (9) direct allocations for jurisdiction in the state of Georgia account for and represent the greatest needs in the State. A methodology for allocation of funds in the State that departs from this pre-established prioritization would be unacceptable.

4. HUD currently uses an allocation methodology for CDBG that is highly appropriate to distribute funds within a State; 30% for the balance of the State, and 70 % for entitlement jurisdictions. For NSP, let's flip it.

5. Use 30% of the States allocation to fund the jurisdictions that have already received a direct allocation from HUD. As articulated previously, the statistical data provided by HUD clearly demarks the State of Georgia's areas of greatest needs. This would yield a higher amount of NSP funds to be allocated amongst the nine (9) jurisdictions, $23,125,537 as compared with the State's current proposed amount of $12,617,475.

6. Prorate the 30% of the States Allocation, $23,125,537 to the nine (9) jurisdictions based on the States allocation method with the revised factors displayed in Appendix 2 contained in the States NSP application.

County Name	Georgia's Potential Allocation	Percentage	$23,125,537 Allocated by Jurisdiction
Clayton	$9,659,554	11.45%	$ 2,648,232
Cobb	8,582,355	10.17%	2,352,911

DeKalb	17,354,241	20.57%	4,757,783
Fulton/ C of Atl.	30,546,480	36.21%	8,374,525
Gwinnett	13,512,054	16.02%	3,704,422
Muscogee	2,200,710	2.61%	603,340
Richmond	2,496,104	2.96%	684,324
Total	$84,351,498	100.00%	$23,125,537

7. The funding of the $23,125,537 is appropriated via two distinct sources. $12,717,474 was previously identified as the recommended allocation to four of the entitlement jurisdictions, Cobb, Fulton, Gwinnett, and Richmond. The balance, $10,408,063, would be re-appropriated from the Flexible Pool. This is palatable as there is an expectation that the Flexible Pool will grow due to the potential lack of usage by Counties with inadequate capacity to administer the NSP funds.

8. Adopting the aforementioned methodology allows the State to become consistent with HUD's guidance and regulations, HERA , and the Congressional intent.

DEKALB COUNTY

Vernon Jones
Chief Executive Officer

November 21, 2008

Mr. Brian Williamson, Assistant Commissioner
Community Development and Finance Division
Georgia Department of Community Affairs
60 Executive Park South, NE
Atlanta, Georgia 30329

Subject: Comments on the State's Proposed Neighborhood Stabilization Program

Dear Mr. Williamson:

As CEO of DeKalb County, I am joining the Board of Commissioners, the staff, and others that are urging the State of Georgia to make a direct allocation of Neighborhood Stabilization Program funds to DeKalb County. Please modify your formula for distributing the funds so that you do not subtract the direct allocations made by HUD. I attended the HUD training in Orlando, Florida, along with my staff, because of the overwhelming need for these funds. I have been very outspoken on some of the program regulations that need to be amended, but there is no doubt that DeKalb County Government deserves a direct allocation from the State based on the Congressional intent and the HUD regulations.

Every citizen in our State should want the best for the entire State. No one wins when the State of Georgia is among the top states in the nation as related to foreclosures, mortgage fraud, and subprime loans. The NSP funds are intended to help address the problems in the areas of greatest needs. Your own methodology identified DeKalb as one of the areas of greatest needs. Please follow through and allocate the funds accordingly.

Our Community Development Department has demonstrated its ability to partner with appropriate entities to deliver some of the best, most effective quality programs in the State of Georgia. Our Board of Commissioners have joined me in identifying program components that we will make sure that we address in our program implementation plan. We have had an overwhelming response from the community, identifying vacant foreclosed properties that are a very negative impact on their neighborhoods. The foreclosures are creating blight and safety concerns, in addition to decreasing property values.

Maloof Administration Building / 1300 Commerce Drive / Decatur, Georgia 30030 / 404-371-2112 / Fax 404-371-4933

The additional funds from the state will enable us to meet more of the needs in the County. Unfortunately, for the first 10 months of this year, there have been more than 11,000 advertised foreclosures in DeKalb. We need all of the funds that are possible; however, we understand the needs of the other jurisdictions and therefore support the attached proposal prepared by Chris H. Morris, our Community Development Director. We are one state. By working together, we will be successful in addressing the foreclosure problem. We look forward to working with you, not only on the Neighborhood Stabilization Program, but other initiatives that will have a major impact on the crisis.

Yours for a Better DeKalb,

Vernon Jones

Vernon Jones
CEO

Attachment:

(Summary Recommendations by Chris H. Morris)

cc: DeKalb County Board of Commissioners
DeKalb Delegation

1. The State of Georgia received a HUD allocation of $77,085,125 for Neighborhood Stabilization efforts. Additionally, nine (9) entitlement jurisdictions received $75,952,326 as a direct allocation from HUD.

2. HERA stipulated regulations require distribution of funds based on the three categories; percentage of homes foreclosures, highest percentage of homes financed by subprime mortgages, and areas likely to face a significant rise in the rate of foreclosures, to the areas in the State of Georgia that have the greatest needs for Neighborhood Stabilization.

3. The statistical data provided by HUD to all States and Counties currently represent the referenced guidance. In essence, the nine (9) direct allocations for jurisdiction in the state of Georgia account for and represent the greatest needs in the State. A methodology for allocation of funds in the State that departs from this pre-established prioritization would be unacceptable.

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5. Use 30% of the States allocation to fund the jurisdictions that have already received a direct allocation from HUD. As articulated previously, the statistical data provided by HUD clearly demarks the State of Georgia's areas of greatest needs. This would yield a higher amount of NSP funds to be allocated amongst the nine (9) jurisdictions, $23,125,537 as compared with the State's current proposed amount of $12,617,475.

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8. Adopting the aforementioned methodology allows the State to become consistent with HUD's guidance and regulations, HERA , and the Congressional intent.

DeKalb County

Community Development Department

November 24, 2008

Mr. Brian Williamson, Assistant Commissioner
Community Development and Finance Division
Georgia Department of Community Affairs
60 Executive Park South, NE
Atlanta, Georgia 30329

Dear Mr. Williamson:

Thank you for the opportunity to comment on the State's proposed Neighborhood Stabilization Program. As I expressed during the public hearing, we were totally shocked that DeKalb and other jurisdictions that the State and HUD have already identified as being among the top areas of greatest needs, are not included in the State's plan to receive a direct allocation of funds. Please change your distribution methodology to ensure that the areas of greatest needs in the State of Georgia receive direct allocations from the funds received by the State of Georgia.

I recommend that you use the methodology that I shared with you in the attachment. This method is fair and should not have a major impact on other jurisdictions that you have previously identified as areas of greatest needs. We want the entire State of Georgia to use the funds effectively to stabilize neighborhoods by the redevelopment of abandoned and foreclosed properties. If the State does not focus on the areas of greatest needs, the State will not maximize the funds and we all will be negatively impacted. Yes, DeKalb, is very pleased with the direct allocation from HUD. However, based on the magnitude of the problem, we realize and we know that the State realizes that additional funds are more than justified. Just this year, there have been approximately 11,000 advertised foreclosures in DeKalb. The advertised and actual foreclosures are primarily concentrated in certain zip codes and also in neighborhoods. We have 71 zip codes in DeKalb. More than 85% of our foreclosures are in 10 zip codes. Approximately 96.8% of our foreclosures are in the top 20 zip codes. For year 2008, we have had more than 10,000 advertised foreclosures in 20 zip codes. We need your help! Please modify your method of distributing the funds.

1807 Candler Road ◆ Decatur, Georgia 30032 ◆ 404-286-3308 ◆ Fax 404-286-3337

In addition to changing the direct allocation methodology, please consider the comments set forth below.

1. The flexible pool concept is good. Those funds should also be available to areas of greatest needs. For the jurisdictions in the State that have some problems, but nearly the magnitude as others, I recommend an increased appropriation of funds from other sources that do not have the same pressing timeframes as the NSP funds.

2. For funds that are reallocated from other jurisdictions, I recommend that they also be available for the areas of greatest needs, regardless of whether they have received a direct allocation from HUD. Again, we want the State as a whole to prove to be an effective grantee.

3. I agree with the comment made at the public hearing about extending the deadline for receiving proposals for funds from January 15 to February 13, 2009. This will give us sufficient time to clearly understand and be responsive to the State's plan and receive local input and approval as well. If jurisdictions are prepared and want to submit the proposals by January 15, that will be fine.

We plan to document how neighborhoods are stabilized through this program. When we can do the same throughout the State of Georgia, we all benefit. Please include the attachment as part of these comments. We look forward to working with you.

Sincerely,

Chris H. Morris

Chris H. Morris
Director

CHM:jes

Attachment

1. The State of Georgia received a HUD allocation of $77,085,125 for Neighborhood Stabilization efforts. Additionally, nine (9) entitlement jurisdictions received $75,952,326 as a direct allocation from HUD.

2. HERA stipulated regulations require distribution of funds based on the three categories; percentage of homes foreclosures, highest percentage of homes financed by subprime mortgages, and areas likely to face a significant rise in the rate of foreclosures, to the areas in the State of Georgia that have the greatest needs for Neighborhood Stabilization.

3. The statistical data provided by HUD to all States and Counties currently represent the referenced guidance. In essence, the nine (9) direct allocations for jurisdiction in the state of Georgia account for and represent the greatest needs in the State. A methodology for allocation of funds in the State that departs from this pre-established prioritization would be unacceptable.

4. HUD currently uses an allocation methodology for CDBG that is highly appropriate to distribute funds within a State; 30% for the balance of the State, and 70 % for entitlement jurisdictions. For NSP, let's flip it.

5. Use 30% of the States allocation to fund the jurisdictions that have already received a direct allocation from HUD. As articulated previously, the statistical data provided by HUD clearly demarks the State of Georgia's areas of greatest needs. This would yield a higher amount of NSP funds to be allocated amongst the nine (9) jurisdictions, $23,125,537 as compared with the State's current proposed amount of $12,617,475.

6. Prorate the 30% of the States Allocation, $23,125,537 to the nine (9) jurisdictions based on the States allocation method with the revised factors displayed in Appendix 2 contained in the States NSP application.

County Name	Georgia's Potential Allocation	Percentage	$23,125,537 Allocated by Jurisdiction
Clayton	$9,659,554	11.45%	$ 2,648,232
Cobb	8,582,355	10.17%	2,352,911

DeKalb	17,354,241	20.57%	4,757,783
Fulton/ C of Atl.	30,546,480	36.21%	8,374,525
Gwinnett	13,512,054	16.02%	3,704,422
Muscogee	2,200,710	2.61%	603,340
Richmond	2,496,104	2.96%	684,324
Total	$84,351,498	100.00%	$23,125,537

7. The funding of the $23,125,537 is appropriated via two distinct sources. $12,717,474 was previously identified as the recommended allocation to four of the entitlement jurisdictions, Cobb, Fulton, Gwinnett, and Richmond. The balance, $10,408,063, would be re-appropriated from the Flexible Pool. This is palatable as there is an expectation that the Flexible Pool will grow due to the potential lack of usage by Counties with inadequate capacity to administer the NSP funds.

8. Adopting the aforementioned methodology allows the State to become consistent with HUD's guidance and regulations, HERA , and the Congressional intent.

Targeting Neighborhood Stabilization Funds to Community Need: An Assessment of Georgia's Proposed Funding Allocations

Presented to the Georgia Department of Community Affairs

November 28, 2008

Dr. Michael J. Rich
Emory University
Office of University-Community Partnerships and
Department of Political Science

Contents

Appendices

Purpose of the Report

This report assesses how well the State of Georgia's proposed formula for allocating federal Neighborhood Stabilization Funds distributes those funds to Georgia counties based on their level of need.

The Housing and Economic Recovery Act of 2008 provided $3.92 billion in funding to state and local governments to assist in the redevelopment and recovery of abandoned and foreclosed homes. The statute directed that those funds be targeted to the states and communities with the greatest needs, as defined by:

- The number and percentage of home foreclosures in each State or unit of general local government;
- The number and percentage of homes financed by a subprime mortgage related loan in each State or unit of general local government; and
- The number and percentage of homes in default or delinquency in each State or unit of general local government. (2301(b)(3))

The federal government allocated a total of $153 million to the state of Georgia, including nine direct grants to urban entitlement jurisdictions within the state ($75.9 million) and an allocation of $77.1 million to the State of Georgia, which at the state's discretion, may be awarded to "all units of general purpose local government, including those cities and counties eligible to participate in the traditional 'CDBG Entitlement Program' of HUD."[1]

The Housing and Economic Recovery Act of 2008 directs grantees that "they should give priority emphasis in targeting the funds they receive to 'those metropolitan areas, metropolitan cities, urban areas, rural areas, low- and moderate-income areas, and other areas with the greatest need, including those—

(A) with the greatest percentage of home foreclosures;
(B) with the highest percentage of homes financed by a subprime mortgage related loan; and
(C) identified by the State or unit of general local government as likely to face a significant rise in the rate of home foreclosures." (2301(c)(2))

In identifying the communities in Georgia with greatest need and determining potential allocations to those communities, the Georgia Department of Community Affairs (DCA) calculated need on a county basis and determined that need on the basis of the following indicators:

- The percent and number of actual residential foreclosures (including remnant Residential Owned Properties (REOs);
- The percent and number of subprime mortgages used to purchase residential properties;
- The residential vacancy rate and;
- The number of households with less than 50 percent of the HUD area median income with housing cost burdens.

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[1] Georgia Department of Community Affairs, Neighborhood Stabilization Program: Proposed Substantial Amendment for the State of Georgia, November 13, 2008, p. 6.

According to the DCA's proposed NSP plan, "these combinations of variables not only measure the current residential foreclosure and abandonment problem, DCA believes they are predictive of future foreclosure and abandonment problems."[2]

To assess how well DCA's proposed NSP formula targets funds to the Georgia communities with the greatest needs related to the mortgage foreclosure crisis, this report examines the proposed funding distribution and its fit with a broad range of indicators and compares the targeting performance of the DCA formula to six alternative formulas that incorporate additional indicators, revised weights, and different mathematical expressions in the formula constructions. The findings show that while the DCA formula does a reasonably good job of targeting funds to needy communities, there are alternative formulas that do a better job of directing funds to needy communities and are more responsive to a wider variety of dimensions of need related to the mortgage foreclosure crisis. In some instances, while the overall performance of the DCA proposed formula and the formula alternatives considered is reasonably comparable, there are notable differences in the proposed grant allocations to individual jurisdictions based on the formula alternative selected. This heightens the importance of selecting a formula distribution mechanism that is sensitive to the many dimensions of the mortgage foreclosure crisis and also one that incorporates the most reliable and timely data available.

Defining Need for Foreclosure Assistance

DCA's proposed formula for allocating NSP funds to local jurisdictions is comprised of seven formula elements. The elements, their definitions, time periods, and data sources are as follows:[3]

1. **Notices of Trustees' Sale (NTS).** The Notices of Trustees' Sale is defined as assignment of a property for disposal through sale or auction to a trustee.

   Time period: January 2008 – September 2008
   Data source: RealtyTrac

2. **Real Estate Owned (REO) Properties**. REO property is the consequence of attempts to dispose of properties in default that have failed in obtaining a sale, short sale, or auction sale and the property ownership goes to the investor or lender.

   Time period: January 2008 – September 2008
   Data source: RealtyTrac

3. **Foreclosure Rate**. The foreclosure rate was calculated by dividing the total number of foreclosure starts by the total number of housing units obtained from the 2007 U.S. Census estimates.

   Time period: January 2008 – September 2008
   Data source: RealtyTrac

[2] Ibid., p. 2.

[3] Ibid., Appendix I.

4. **Subprime Loans**. The number (percent) of conventional mortgage loans (loans not insured by a government program such as FHA or VA) made by subprime lenders.

   Time Period: 2004
   Data source: Home Mortgage Disclosure Act data

5. **Housing Cost Burden**. The number of households with less than 50 percent of the HUD area median income with housing cost burdens.

   Time Period: 2000
   Data source: U.S. Census Bureau, special tabulation for HUD's Comprehensive Housing Affordability Strategy

6. **Vacancy Rate**. The percentage of residential addresses that were vacant for 90 days or longer.

   Time Period: June 2008
   Data source: U.S. Postal Service Residential Vacancy Survey

The DCA used the following formula for calculating NSP allocations to Georgia counties:

$$
\begin{aligned}
&\text{Jursidiction Allocation} = \text{Appropriation} \ * \\
&\Big\{ .05 * \frac{\text{Jurisdiction Notices of Trustees' Sale}}{\text{Georgia total number of Trustees' Sale}} + \\
&\quad .65 * \frac{\text{Jurisdiction Real Estate Owned Properties}}{\text{Georgia total number of REOs}} + \\
&\quad .05 * \frac{\text{Jurisdiction Foreclosure Rate}}{\text{Georgia sum of Jurisdiction Foreclosure Rates}} + \\
&\quad .10 * \frac{\text{Jurisdiction Number of Subprime Loans}}{\text{Georgia total number of Subprime Loans}} + \\
&\quad .05 * \frac{\text{Jurisdiction Percentage of Subprime Loans}}{\text{Georgia sum of Jurisdiction Subprime Loan Percentages}} + \\
&\quad .05 * \frac{\text{Jurisdiction Vacancy Rate}}{\text{Georgia sum of Jurisdiction Vacancy Rates}} + \\
&\quad .05 * \frac{\text{Jurisdiction Households <50\% HUD AMI and Housing Cost Burden}}{\text{Georgia total number of Households <50\% HUD AMI and Housing Cost Burden}} + \Big\}
\end{aligned}
$$

There are several concerns with the proposed DCA allocation formula that include:

1. **The formula is heavily skewed to a single indicator**, REO properties, which is weighted .65. Though other indicators are included in the formula, their relative weight in influencing a jurisdiction's NSP allocation is overshadowed by the impact of the REO indicator. This may be especially problematic if the indicator

is not a reliable measure of the underlying phenomenon (e.g., may be over- or under-counting REO activity).

2. **Several of the data sources are stale**. The data on subprime loans is for 2004; the data on low-income households with housing cost burdens is from 2000. Conditions have likely changed dramatically in many communities and these indicators may reflect current (or future) conditions.
3. **The incorporation of rate indicators (foreclosures, subprime loans, vacancies) into the formula is suspect.** It is unclear that the rate indicators as incorporated into the DCA formula are accurately capturing the relative concentration of the indicator in a particular jurisdiction. The conventional practice (e.g., used by HUD in its NSP state allocations and in many other federal formula grant programs) is to divide a jurisdiction's rate by the statewide rate (see Appendix 2). Jurisdictions with a rate greater than the statewide rate receive a relatively larger allocation and vice versa for those with rates below the statewide rate. The denominators for the rate indicators in the DCA formula, however, are the sum of percentages across all jurisdictions. As constructed DCA's rate indicators make no adjustment for population size; hence communities with identical rates but different population sizes are treated the same.

Six Alternative Formulas

In an effort to improve the targeting of Georgia's NSP assistance to needy communities, six alternatives to the proposed DCA formula are offered. Each of the six alternative formulas incorporates a broader range of indicators of the mortgage foreclosure crisis, provide indicators that are conceptually a better fit with the roots of the current mortgage foreclosure crisis as well as predictors of future foreclosure problems, and all are available for a more current time period. In addition, two alternative approaches are taken in the formula options presented to address the problem of capturing both the incidence (count) as well as the concentration (rate or percentage) of community need.

Each of the six formula alternatives includes seven indicators and for each indicator we incorporate both a measure of incidence as well as a measure of concentration. The formula indicators, their definitions, time periods, and data sources are as follows (see Table 1 for a summary):

1. **Notices of Trustees' Sale (NTS).** The Notices of Trustees' Sale is defined as assignment of a property for disposal through sale or auction to a trustee. The NTS rate is calculated by dividing the number of Trustees' sales by the number of housing units based on 2007 Census estimates.

   Time period: January 2008 – September 2008
   Data source: RealtyTrac

2. **Subprime Loans.** The number of first-lien mortgage loans issued by subprime lenders. The percentage of subprime loans is calculated based on the total number of first-lien mortgage loans.

   Time period: All outstanding loans as of June 30, 2008
   Data source: McDash Analytics

Table 1. Formula Elements, Weights, and Construction.

Indicator	DCA	Formula 1	Formula 2	Formula 3	Formula 4	Formula 5	Formula 6
Notice of Trustees' Sale	$\frac{NTS_i}{NTS_{GA}}$	$\frac{NTS_i}{NTS_{GA}} \times \frac{\%\ NTS_i}{\%\ NTS_{GA}}$	$\frac{NTS_i}{NTS_{GA}} \times \frac{\%\ NTS_i}{\%\ NTS_{GA}}$	$\frac{NTS_i}{NTS_{GA}} \times \frac{\%\ NTS_i}{\%\ NTS_{GA}}$	$\frac{NTS \times \%\ NTS_i}{\Sigma\ NTS \times \%\ NTS_{GA}}$	$\frac{NTS \times \%\ NTS_i}{\Sigma\ NTS \times \%\ NTS_{GA}}$	$\frac{NTS \times \%\ NTS_i}{\Sigma\ NTS \times \%\ NTS_{GA}}$
Weight	.05	.10	.10	.10	.10	.10	.10
Time period	Jan – Sep 2008	Jan – Sep 2008	Jan – Sep 2008	Jan – Sep 2008	Jan – Sep 2008	Jan – Sep 2008	Jan – Sep 2008
Real Estate Owned Properties—RealtyTrac	$\frac{REO_i}{REO_{GA}}$	$\frac{REO_i}{REO_{GA}} \times \frac{\%\ REO_i}{\%\ REO_{GA}}$	$\frac{REO_i}{REO_{GA}} \times \frac{\%\ REO_i}{\%\ REO_{GA}}$	$\frac{REO_i}{REO_{GA}} \times \frac{\%\ REO_i}{\%\ REO_{GA}}$	$\frac{REO \times \%\ REO_i}{\Sigma\ REO \times \%\ REO_{GA}}$	$\frac{REO \times \%\ REO_i}{\Sigma\ REO \times \%\ REO_{GA}}$	$\frac{REO \times \%\ REO_i}{\Sigma\ REO \times \%\ REO_{GA}}$
Weight	.65	.25	.25	.20	.25	.25	.20
Time period	Jan – Sep 2008	Jan – Sep 2008	Jan – Sep 2008	Jan – Sep 2008	Jan – Sep 2008	Jan – Sep 2008	Jan – Sep 2008
Real Estate Owned Properties—McDash		$\frac{REO_i}{REO_{GA}} \times \frac{\%\ REO_i}{\%\ REO_{GA}}$	$\frac{REO_i}{REO_{GA}} \times \frac{\%\ REO_i}{\%\ REO_{GA}}$	$\frac{REO_i}{REO_{GA}} \times \frac{\%\ REO_i}{\%\ REO_{GA}}$	$\frac{REO \times \%\ REO_i}{\Sigma\ REO \times \%\ REO_{GA}}$	$\frac{REO \times \%\ REO_i}{\Sigma\ REO \times \%\ REO_{GA}}$	$\frac{REO \times \%\ REO_i}{\Sigma\ REO \times \%\ REO_{GA}}$
Weight		.25	.25	.20	.25	.25	.20
Time period		As of June 2008	As of June 2008	As of June 2008	As of June 2008	As of June 2008	As of June 2008
Foreclosures	$\frac{\%Foreclosures_i}{\Sigma\%Foreclosures_{GA}}$	$\frac{Forecl_i}{Forecl_{GA}} \times \frac{\%\ Forecl_i}{\%\ Forecl_{GA}}$	$\frac{Forecl_i}{Forecl_{GA}} \times \frac{\%\ Forecl_i}{\%\ Forecl_{GA}}$	$\frac{Forecl_i}{Forecl_{GA}} \times \frac{\%\ Forecl_i}{\%\ Forecl_{GA}}$	$\frac{Forecl \times \%\ Forecl_i}{\Sigma\ Forecl \times \%\ Forecl_{GA}}$	$\frac{Forecl \times \%\ Forecl_i}{\Sigma\ Forecl \times \%\ Forecl_{GA}}$	$\frac{Forecl \times \%\ Forecl_i}{\Sigma\ Forecl \times \%\ Forecl_{GA}}$
Weight	.05	.10	.10	.15	.10	.10	.15
Time period	Jan – Sep 2008	As of June 2008	As of June 2008	As of June 2008	As of June 2008	As of June 2008	As of June 2008
Subprime loans	$\frac{Subprime_i}{Subprime_{GA}}$ $\frac{\%\ Subprime_i}{\Sigma\ \%\ Subprime_{GA}}$	$\frac{Subp_i}{Subp_{GA}} \times \frac{\%\ Subp_i}{\%Subp_{GA}}$	$\frac{Subp_i}{Subp_{GA}} \times \frac{\%\ Subp_i}{\%Subp_{GA}}$	$\frac{Subp_i}{Subp_{GA}} \times \frac{\%\ Subp_i}{\%Subp_{GA}}$	$\frac{Subp \times \%\ Subp_i}{\Sigma\ Subp \times \%\ Subp_{GA}}$	$\frac{Subp \times \%\ Subp_i}{\Sigma\ Subp \times \%\ Subp_{GA}}$	$\frac{Subp \times \%\ Subp_i}{\Sigma\ Subp \times \%\ Subp_{GA}}$
Weight	.10/.05	.15	.15	.15	.15	.15	.15
Time period	2004	As of June 2008	As of June 2008	As of June 2008	As of June 2008	As of June 2008	As of June 2008
Delinquent loans		$\frac{Delnq_i}{Delnq_{GA}} \times \frac{\%\ Delnq_i}{\%\ Delnq_{GA}}$	$\frac{Delnq_i}{Delnq_{GA}} \times \frac{\%\ Delnq_i}{\%\ Delnq_{GA}}$	$\frac{Delnq_i}{Delnq_{GA}} \times \frac{\%\ Delnq_i}{\%\ Delnq_{GA}}$	$\frac{Delnq \times \%\ Delnq_i}{\Sigma\ Delnq \times \%\ Delnq_{GA}}$	$\frac{Delnq \times \%\ Delnq_i}{\Sigma\ Delnq \times \%\ Delnq_{GA}}$	$\frac{Delnq \times \%\ Delnq_i}{\Sigma\ Delnq \times \%\ Delnq_{GA}}$
Weight		.15	.10	.15	.15	.10	.15
Time period		As of June 2008	As of June 2008	As of June 2008	As of June 2008	As of June 2008	As of June 2008
Vacancies	$\frac{\%\ Vacant_i}{\Sigma\ \%\ Vacant_{GA}}$	$\frac{\%\ Vac\ Hi\ Subp_i}{\%\ Vac\ Hi\ Subp_{GA}}$	$\frac{VHSubp_i}{VHSubp_{GA}} \times \frac{\%\ VHSubp_i}{\%VHSubp_{GA}}$	$\frac{VHSubp_i}{VHSubp_{GA}} \times \frac{\%\ VHSubp_i}{\%VHSubp_{GA}}$	$\frac{\%\ Vac\ Hi\ Subp_i}{\%\ Vac\ Hi\ Subp_{GA}}$	$\frac{VHSubp \times \%\ VHSubp_i}{\Sigma\ VHSubp \times \%VHSubp_{GA}}$	$\frac{VHSubp \times \%\ VHSubp_i}{\Sigma\ VHSubp \times \%VHSubp_{GA}}$
Weight	.05	Adjustment to total	.05	.05	Adjustment to total	.05	.05
Time period	June 2008	June 2008	June 2008	June 2008	June 2008	June 2008	June 2008
Housing Cost Burden	$\frac{HHs\ Cost\ Burden_i}{HHs\ Cost\ Burden_{GA}}$						
Weight	.05						
Time period	2000						

3. **Foreclosed Loans.** The number of first-lien loans that have been foreclosed. The percentage of foreclosed loans is calculated based on the total number of first-lien mortgage loans.

   Time period: All outstanding loans as of June 30, 2008
   Data source: McDash Analytics

4. **Delinquent Loans.** The number of first-lien loans that are delinquent for 30 days or more. The percentage of delinquent loans is calculated based on the total number of first-lien mortgage loans.

   Time period: All outstanding loans as of June 30, 2008
   Data source: McDash Analytics

5. **Real Estate Owned (REO) Properties**. REO property is the consequence of attempts to dispose of properties in default that have failed in obtaining a sale, short sale, or auction sale and the property ownership goes to the investor or lender. The REO rate is determined by dividing the number of REOs by the number of housing units (Census 2007 estimate).

   Time period: January 2008 – September 2008
   Data source: RealtyTrac

6. **Real Estate Owned (REO) Properties**. We use a second measure of REO property derived from another data vendor. The REO rate for this indicator is expressed as the percentage of outstanding loans that are REO properties.

   Time period: REO properties as of June 30, 2008
   Data source: McDash Analytics

7. **Vacancy Rate in High Subprime Zip Codes**. Residential vacancy rate in zip codes with a high rate (> 17.2%) of subprime lending.

   Time period: As of June 30, 2008
   Data source: Calculated from HMDA and U.S. Postal Service Vacancy Survey data

Several aspects of the formula elements and formula construction of the proposed alternative formulas warrant emphasis.

1. **Data Sources**. Following the Foreclosure Response project, a collaborative project of the Center for Housing Policy, KnowledgePlex, LISC, and the Urban Institute, we use data from McDash Analytics (a private vendor of loan performance data obtained from the nation's largest loan servicers) on the performance of prime and subprime loans. Measures derived from the McDash data include the total number of loans, the number of subprime loans, the number of REO properties, the number of foreclosed loans (banks had begun the foreclosure process but not sold the property to another owner), and the number of delinquent loans (30 days or more). All loan and foreclosure counts were restricted to first-lien mortgages

only and the data represent all residential loan activity as of June 30, 2008.[4] In addition, the McDash data were adjusted to account for undercounting of outstanding mortgages by using data from the U.S. Census county-level 2007 estimates (total housing units), the 2006 American Community Survey (homes with outstanding owner-occupied mortgages), and the 2002 Residential Finance Survey (share of single-family rental homes with a mortgage). Also, data from the Mortgage Bankers Association's June 2008 National Delinquency Survey was used to adjust the number of subprime loans, foreclosures, and delinquencies.[5]

2. **Formula Elements.**

   a. **Notice of Trustees' Sale**. We retained the original data on Notice of Trustees' Sale and Real Estate Owned Properties utilized in DCA's proposed formula for the six alternative formulas.

   b. **REOs**. We added a second measure of REOs based on the McDash Analytics data (see above) on the grounds that while REO is an essential construct for understanding the incidence and concentration of the mortgage foreclosure crisis, it is a difficult phenomenon to capture well in existing data sources and we would prefer compatible indicators derived from different sources rather than a single indicator from a single source. Indeed, while the time periods for data collected differed (DCA used monthly RealtyTrac data for the period January-September 2008 and McDash Analytics data are cumulative through June 2008), the totals for the two measures of REOs were very close (27,221 for RealtyTrac v. 26,689 for McDash) and correlated very highly (r=.99). However, as discussed later in the report, for some counties the totals varied widely depending on the source.[6]

   c. **REO Rates.** Different denominators were used for calculating REO rates. For the DCA measure we used the total number of housing units (2007) whereas the six formula alternatives used the total number of first-lien loans.

   d. **Foreclosures**. Though both the DCA and formula alternative used an indicator for foreclosures, the data came from different sources, used slightly different time periods, and different denominators were utilized to calculate rates. DCA used the number of housing units (2007) and we used the number of first-lien loans for the formula alternatives. Also, DCA used the statewide ***sum*** of county foreclosure rates as its formula

[4] A first lien loan is the mortgage placed on the home before any other loans are taken out. It is usually the loan you use to buy the home and may be the largest loan on the home. The lender of a first lien loan has first claim on the home in the case of default. Smart Refinance Net, accessed at http://www.smartrefinance.net/loan_sources.html.

[5] See LISC, "Foreclosure Needs Score Methodology Appendix" for details on these adjustments. Accessed at http://www.housingpolicy.org/foreclosure-response.html and reproduced in Appendix 1.

[6] Nineteen counties had at least 20 percent more REO activity according to RealtyTrac than the adjusted McDash figures including several counties in the Atlanta metro area (Forsyth, Gwinnett, Clayton, Cobb, and Fulton); 2 counties showed REO activity under RealtyTrac and none under McDash; 41 counties showed no activity under RealtyTrac and REO activity under McDash; 11 counties showed no REO properties under either source.

denominator whereas the formula alternatives used the statewide rate. In addition, the formula alternatives incorporated a measure of the number of foreclosures whereas DCA only used the foreclosure rate.

e. **Subprime Loans**. The DCA formula and each of the six formula alternatives incorporated a measure of the number of subprime loans. DCA used Home Mortgage Disclosure Act data for 2004 as its source whereas we used June 2008 McDash data adjusted with additional data from the Mortgage Bankers Association. While DCA included a measure of the subprime lending rate in its formula, the denominator for that formula element was the *sum* of the subprime lending *rates* for all Georgia counties whereas the formula alternatives used the statewide subprime lending rate as its denominator. In addition, the formula alternatives only included first-lien mortgages made by subprime lenders.

f. **Delinquent Loans**. Each of the six formula alternatives included a measure of the number of delinquent loans (30 days or more) and the percentage of outstanding loans that were delinquent for more than 30 days. All measures were based on first-lien mortgage loans.

g. **Residential Vacancies**. DCA included an indicator for the residential vacancy rate (vacant 90 days or longer) and used the statewide *sum* of county residential vacancy rates as its denominator for that formula element. The six formula alternatives used a more targeted measure of residential vacancy based on the county vacancy rate (vacant 90 days or longer) for residential properties located in zip codes with a high concentration (greater than 17.2%) of subprime loans. All of the vacancy measures were derived from the same source, the U.S. Postal Service's June 2008 extract on vacant residential addresses, though the formula alternatives incorporated additional HMDA data to identify zip codes with high concentrations of subprime lending.

h. **Housing Cost Burden**. We chose to drop the housing cost burden measure from the six formula alternatives for two reasons. First, the data was very old (2000) and second, we believe there are other indicators included in the formula alternatives that do a better job of capturing current and future foreclosure and abandonment problems.

i. **Incidence and Concentration**. We used a different approach than DCA to capture the incidence and concentration of community need. DCA included three rate measures in its formula (foreclosures, subprime loans, and vacancies), though in each instance the formula element was derived by comparing the rate in each county to the sum of the rates for all counties in the state. This is an unconventional practice which we have not seen incorporated in other funding formulas and one that does not take into consideration the size of the jurisdiction.

   We chose two approaches to incorporate both incidence (count) and concentration (rate or percentages) in the six formula alternatives. In the first three formula alternatives we adjusted each county's share of the formula indicator (e.g., number in county x divided by total for the state) by multiplying that share by the ratio of the county's rate for that indicator to the statewide rate. This has the effect of raising a county's share of the indicator (and increasing its grant) for counties that have a rate for that indicator above the statewide rate and reducing a county's share of the indicator for counties that have a rate for the indicator below the statewide rate. Following the practice used by HUD for the statewide allocations, these ratios were capped so that no county's share of an indicator could increase or reduce a county's share of the problem by more than 30 percent for the indicators of trustees' sale, REOs, foreclosures, subprime loans, and delinquent loans, and no more than 10 percent for vacancies.

Our second approach, incorporated in formula alternatives four through six, followed the practice used by LISC in calculating a foreclosure needs score for CDBG jurisdictions (see Appendix 1). For each formula element we created a product indicator that weighted the percentage indicator by the count indicator (e.g., percent of subprime loans multiplied by the number of subprime loans) and then calculated each county's share of the problem by dividing it by the total of all products for that indicator summed across all counties in the state. In Formula 4, the vacancy rate indicator was treated similar to Formula 1 (adjusting the entire formula allocation up or down based on the ratio of the county's vacancy rate to the statewide vacancy rate) whereas in formulas five and six it was incorporated directly into the formula and calculated similarly to the other formula elements.

3. **Dollar Amounts.** We calculated grant amounts to counties based on a total state appropriation of $149,954,046. This amount was derived as follows:

$153,037,451 total NSP allocation to Georgia

Less $75,952,326 in direct HUD allocations to 9 entitlement jurisdictions[7]

Less $3,083,405 for state administration and grants management[8]

Following DCA's methodology, we included both the direct and discretionary funding available to the state in calculating grant amounts under the formula alternatives for Georgia counties and we ensured that entitlement jurisdictions received a grant amount at least equal to the amount of funding they were awarded directly by HUD. As did DCA, we included city entitlement funding in the county allocation.[9] In addition, because we used an alternative formula

[7] HUD awarded direct allocations to Clayton County ($9.7 million), Cobb County ($6.9 million), DeKalb County ($18.5 million), Fulton County ($10.3 million), Atlanta ($12.3 million), Gwinnett County ($10.5 million), Columbus/Muscogee County ($3.1 million), Augusta ($2.5 million), and Savannah ($2.0 million).

[8] DCA, *Neighborhood Stabilization Program*, p. 5 and Appendix 2.

[9] We included the entitlement funding for Savannah ($2,038,631) in Chatham County although it was not explicitly identified in the listing of potential allocations reported in Appendix 2 of DCA's NSP proposed amendment.

construction (adjusting each county's count measure with its rate measure and in formulas 1 and 4 adjusted the county's entire allocation based on the ratio of its vacancy rate to the statewide vacancy rate), we followed HUD's practice used in the national formula distribution to states by making a pro rata reduction adjustment to ensure that the amount of funding proposed for distribution conforms to the state's total appropriation.[10]

Evaluation Criterion

We used several strategies for assessing the targeting performance of DCA's proposed formula and each of the six formula alternatives. These included an analysis of the funding distribution by community need quintiles, construction of an Index of Inequity, and regression analysis. Each of these methods provides a slightly different perspective on the fit between formula grant allocations and community need, and considered together they provide a more comprehensive analysis of targeting performance than would any single method. A brief description of each of these analysis strategies is provided below.

Quintile Analysis. We rank-ordered the 159 Georgia counties on each of the indicators of community need included in our formula analysis and then classified the counties into quintiles (5 equal groups) for each indicator. These indicators are the rate or percentage measure for notices of trustees' sale, subprime loans, foreclosures, delinquent loans, REOs (both sources), and vacancies. We also used factor analysis to construct a composite needs index based on both the count and rate measures for these seven indicators (see Appendix 3 for the results of this analysis).

Once the community need quintiles were constructed we then examined the distribution of proposed grant allocations under DCA's formula and each of the six formula alternatives. We used three strategies to examine the distribution of funds: the percentage of funds (or share of total funds) awarded to counties in the highest need quintiles, the median per capita grant (grant per housing unit) awarded to counties in the highest need quintiles, and the ratio of the median per capita grant in the highest need quintile to the median per capita grant in the lowest need quintile. For each of these methods, higher numbers indicate greater targeting performance. It is important to point out, however, that the largest counties did not consistently fall into the highest need quintile, so caution should be used in interpreting the results of the quintile analysis, especially the analysis based on the share of funds awarded to counties in the highest need quintiles.

Index of Inequity. A second method used to assess the targeting performance of the various funding formulas was the construction of an Index of Inequity for each funding distribution. Coulter and Pittman developed a bivariate index that can be used to compare the extent of maldistribution in DCA's proposed formula and the six formula alternatives.[11] The index captures the extent to which funding allocations deviate from an equity

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[10] Though we could not reconcile the estimated totals for the six formula alternatives with the amount of funding available for distribution, we were within four decimal places (1.0000) when the estimated and actual amounts were compared. The variances ranged from an under-estimation of $3,040 for formula 1 to an over-estimation of $2,778 for formula 3. The differences are likely due to rounding errors.

[11] Philip B. Coulter and Terry Pittman, "Measuring Who Gets What: A Mathematical Model of Maldistribution," *Political Methodology* (1983): 215-233.

standard. In short, the index is constructed by summing for each county the discrepancies between the share of funding awarded to a county by a particular formula and the share of need in a particular county and then dividing that value by the maximum discrepancy sum that could be obtained given the distribution of the equity standard chosen. The value of the index ranges from 0 (perfect equity) to 1 (perfect inequity). An index score was created for each of the following needs indicators: notice of trustees' sale, subprime loans, foreclosures, delinquent loans, REOs (both sources), and vacancies in high subprime zip codes. As noted above, lower index scores indicate a more equitable funding distribution (less deviation in funding awards from an equity or need standard).

Regression Analysis. The final method we used to assess the targeting performance of each of the formulas was to conduct a regression analysis between the various per capita funding distributions and our indicators of community need (both count and rate measures). This analysis strategy was used by HUD in its recent assessment of the targeting performance of the CDBG formula.[12] Regression analysis provides two pieces of information that are helpful in interpreting the targeting performance of each formula:

1. Do counties with similar needs scores receive similar per capita grants? The R-square reported by the regression analysis is a measure of the proportion of variance explained by the needs indicator. If the R-square (ranges from 0 to 1) is high, it indicates a strong relationship between the funding distribution and the community need indicator.
2. Do counties with very high need receive larger per capita grants than counties with lower needs? The regression slope of the community need indicator represents how much larger (or smaller) a per capita grant to a high need county is than to a per capita grant to a low need county.

Findings

This section presents the results of our analysis of the targeting performance of DCA's proposed formula and the six formula alternatives. While the DCA formula does a relatively good job of targeting assistance to counties with a high level of need as measured by the number and percent of REO properties (weighted .65 in the DCA formula), the analysis shows that the DCA formula is less responsive than the formula alternatives to other dimensions of community need related to the mortgage foreclosure crisis.

Table 2 presents summary statistics for the seven formula elements included in the six alternative formulas and summary statistics for the DCA formula distribution and the allocations under the six alternative formulas. Histograms for each variable are presented in Appendix 4.

Quintile Analysis. Table 3 summarizes the results of the quintile analysis of the formula allocation distributions. In terms of the percentage share of funds allocated to counties in the neediest quintile, the DCA formula performs best on two measures of need: notices of trustees' sale and the number of REO properties (RealtyTrac). For both quintiles, more than 80 percent of funding allocations were awarded to counties that ranked in the

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[12] Todd Richardson, *CDBG Formula Targeting to Community Development Need*, Washington, D.C.: U.S. Department of Housing and Urban Development, Office of Policy Development and Research, 2005.

Table 2. Descriptive Statistics

Formula Factors	Notice of Trustees Sale	Subprime Loans	Foreclosed Loans	Delinquent Loans	REOs--RealtyTrac	REOs--McDash	Residential Vacancies in High Subprime Zipcodes
Standard deviation	1,269.2	3,298.4	808.8	2,363.2	691.8	563.4	1,472.2
Mean	368.8	1,393.9	367.4	1,061.8	171.2	167.9	646.7
Median	44	349	103	281	3	31	242
Coefficient of variation	344.2	236.6	220.2	222.6	404.1	335.7	227.7
n of counties	159	159	159	159	159	159	159
Grant Allocations	DCA	Formula 1	Formula 2	Formula 3	Formula 4	Formula 5	Formula 6
Mean	943,107	943,088	943,100	943,125	943,116	943,094	943,123
Median	102,429	133,583	153,756	170,513	121,910	135,266	156,610
Standard deviation	3,230,220	3,218,778	3,094,862	2,916,690	3,475,328	3,329,478	3,102,921
Coefficient of variation	342.5	341.3	328.2	309.3	368.5	353.0	329.0
n of counties	159	159	159	159	159	159	159

Table 3. Quintile Analysis

A. Percentage Share to Neediest Quintile Counties

Quintiles	Indicator	DCA	Formula 1	Formula 2	Formula 3	Formula 4	Formula 5	Formula 6
NTS	86.1%	83.0%	80.7%	79.9%	78.1%	82.4%	81.4%	79.4%
Subprime loans	12.6%	12.3%	13.5%	13.6%	13.8%	16.5%	16.9%	17.1%
Foreclosed loans	14.9%	11.5%	13.4%	13.4%	14.0%	16.7%	16.8%	17.4%
Delinquent loans	20.8%	20.0%	21.5%	21.8%	22.4%	24.9%	25.4%	25.9%
REO-RealtyTrac	94.9%	86.6%	82.5%	82.0%	80.0%	84.3%	83.5%	81.3%
REO-McDash	52.8%	51.0%	53.0%	52.2%	50.2%	57.8%	56.8%	54.1%
Subprime vacancy	15.5%	4.6%	5.2%	5.0%	5.3%	4.6%	5.0%	5.4%
Index	--	79.9%	80.1%	79.1%	77.4%	83.6%	82.4%	80.6%

B. Median Per Capita Grant, Neediest Quintile Counties

Quintiles	DCA	Formula 1	Formula 2	Formula 3	Formula 4	Formula 5	Formula 6
NTS	39.97	38.32	40.61	41.96	33.26	35.32	37.04
Subprime loans	16.74	11.75	14.03	16.13	15.02	19.34	21.33
Foreclosed loans	16.16	15.27	16.29	18.79	17.57	19.61	22.46
Delinquent loans	15.60	21.50	21.01	23.01	21.18	22.45	25.80
REO-RealtyTrac	43.75	38.23	39.70	41.21	37.04	37.04	37.04
REO-McDash	20.02	27.01	27.24	28.57	27.44	28.71	32.79
Subprime vacancy	10.97	8.17	11.07	12.54	7.39	13.11	14.83
Index	32.13	38.23	37.99	39.06	37.54	37.54	37.54

C. Ratio of Median Per Capita Grant: Highest to Lowest Quintile

Quintiles	DCA	Formula 1	Formula 2	Formula 3	Formula 4	Formula 5	Formula 6
NTS	3.33	6.14	4.04	3.94	5.22	2.98	3.09
Subprime loans	1.26	1.14	1.16	1.24	2.06	2.30	2.09
Foreclosed loans	1.11	1.94	1.51	1.69	2.76	2.10	2.15
Delinquent loans	1.42	2.08	1.71	1.77	2.70	2.20	2.29
REO-RealtyTrac	3.99	4.44	3.72	3.52	4.37	3.13	3.01
REO-McDash	1.49	3.91	2.67	2.47	4.77	3.07	2.98
Subprime vacancy	0.87	0.67	0.92	0.93	0.82	1.51	1.35
Index	3.22	4.61	3.72	3.27	5.99	4.76	4.23

neediest quintile, though in each case the share of funding awarded to the neediest quintile counties was less than their share of the need indicator. Formula 6 demonstrated the best targeting performance, achieving the highest share of funding allocated to counties in the neediest quintile for four of the eight need indicators examined (subprime loans, foreclosed loans, delinquent loans, and vacancies in high subprime zip codes). Formula 4 did best on the REO (McDash) and composite needs index quintile analyses.

It is important to note that the funding share analysis by quintile is influenced by where the largest counties rank on the need indicator. To control for the effects of population size, we examined the median per capita grant (actually dollars per housing unit) awarded to counties in the neediest quintile and also the ratio of the median per capita grant in the neediest quintile to that in the least needy quintile. Panel B of Table 3 shows that DCA's proposed formula achieved the greatest targeting under only one need indicator (REO properties—RealtyTrac). Formula 6 achieved the greatest targeting as measured by five need indicators (subprime loans, foreclosed loans, delinquent loans, REOs—McDash, and vacancies in high subprime zip codes). Formula 3 achieved the largest median grant in the neediest quintile for the notice of trustees' sale and composite need index quintiles.

It is also important to note that targeting is not just about awarding large grants to the neediest counties. The fundamental principle of targeting is that a jurisdiction with high need should receive a relatively larger grant than a jurisdiction with low need. One way to assess the extent of targeting is to compare the ratio of median per capita grants in the neediest and least neediest quintiles. The results of this analysis reported in Panel C of Table 3 shows that DCA's proposed formula does relatively poorly on this measure of targeting performance. The formula alternatives record the highest targeting ratios for each of the eight need indicators examined and on all but one of those indicators (REOs—RealtyTrac) the targeting ratio of the leading formula alternative is about twice the ratio recorded by the DCA formula. Formula 4 has the highest targeting ratio on four indicators (foreclosed loans, delinquent loans, REOs—McDash, and the composite needs index) and Formula 1 (notice of trustees' sale and REOs—RealtyTrac) and Formula 5 (subprime loans and vacancies in high subprime zip codes) record the highest ratios for the other four need indicators.

Index of Inequity. Results from the calculation of the Index of Inequity for the DCA formula and the six formula alternatives are presented in Table 4. Recall that this index is a measure of the extent of maldistribution, comparing the distribution of NSP grant funds to the distribution of some equity standard (i.e., community need indicator). The index ranges from 0 (perfect equity, each county's share of funds equals its share of the need indicator) to 1 (perfect inequity). Table 4 shows that DCA's proposed formula achieves the lowest Index of Inequity score for the notice of trustees' sale and REOs—RealtyTrac need indicators. The results suggest that Formula 3 is the most equitable formula, recording the lowest index score on four community need indicators (subprime loans, foreclosed loans, delinquent loans, vacancies in high subprime zip codes) and has the lowest index score when the scores are averaged across all seven need indicators. Formula 1 achieves the lowest index score on the REOs—McDash indicator.

It is important note, however, that while equity and targeting are related concepts, they have different implications regarding funding distributions. Many would agree that equity implies a "fair share" distribution in that grant funds should be allocated in

Table 4. Index of Inequity

Need Criterion	DCA	Formula 1	Formula 2	Formula 3	Formula 4	Formula 5	Formula 6
Notice of Trustees Sale	.034	.053	.050	.056	.071	.065	.062
Subprime Loans	.106	.110	.094	.077	.136	.120	.099
Foreclosed Loans	.119	.120	.105	.088	.146	.130	.109
Delinquent Loans	.121	.126	.110	.094	.152	.136	.115
REOs--RealtyTrac	.052	.059	.070	.086	.053	.061	.076
REOs--McDash	.039	.028	.036	.047	.047	.045	.048
High Subprime Vacancy	.152	.139	.136	.128	.154	.147	.135
Average	.089	.091	.086	.082	.108	.101	.092

proportion to a jurisdiction's need. Targeting, on the other hand, implies that a disproportionate share of funding should be directed to the neediest jurisdictions, though policy makers have widely varying perceptions of what disproportionate might mean. Policy makers have used a variety of mechanisms in federal and state grant programs to pursue their targeting objectives. These include, for example, limiting eligibility for program participation to communities that surpass a minimum threshold of need (e.g., Urban Development Action Grants, Empowerment Zones, state Enterprise Zones), or adding a supplemental funding allocation to jurisdictions that pass some need threshold (e.g., the Anti-Recession Fiscal Assistance and Local Public Works programs in the late 1970s are two examples). Programs, such as CDBG, that provide an entitlement to jurisdictions simply on the basis of population, find it very difficult to maintain a relatively high degree of targeting. As Richardson pointed out in his recent report, targeting under the CDBG program has declined substantially over the past 26 years, due in part to an increasing number of relatively well-off jurisdictions that have become new entitlement communities.[13] Any gains in targeting a greater share of CDBG funds to needy jurisdictions will only be possible by reducing the share of CDBG funds awarded to the least needy jurisdictions, a policy option that has been politically difficult to achieve.

Regression Analysis. As noted above regression analysis provides two helpful measures for assessing the targeting performance of a funding distribution. In this section we perform a series of bivariate regressions, regressing each of our community need indicators (both count and percentage/rate measures) on the proposed DCA formula and each of the six formula alternatives per capita grant allocations (grants per housing unit). The regression's R^2 statistic provides a measure of the fairness of the funding distribution and enables the analyst to determine whether jurisdictions with similar levels of need receive similar per capita grants. A high R^2 indicates that need and grant dollars are strongly related, meaning that most counties with a high needs score also receive a high per capita grant award, whereas a low R^2 means that there is a weak relationship between a county's need and its grant award, which implies that counties with similar need are receiving different levels of per capita funding. The regression slope is a second statistic that helps us assess the targeting performance of each of the funding formulas. The slope is similar to the ratio between the median per capita grants in the neediest and least neediest quintiles presented in the section on the quintile analysis: a large slope indicates a large difference in funding between the highest and lowest need counties.

Because we are interested in the relative targeting performance of the DCA formula and the six formula alternatives across a range of measures of community need related to the mortgage foreclosure crisis, indicators that are measured on a variety of different scales with varying degrees of dispersion, we report the slope as a standardized regression coefficient (or Beta) that allows us to determine across the funding formulas which one is most responsive to community need. Also, because we are reporting the standardized slope coefficient we can also compare the relative influence of each of the need indicators on the funding distributions. The regression Beta for the needs indicator is expressed in standard deviation units and is interpreted as follows: a one standard deviation change in the needs indicator is associated with a Beta standard deviation change in the per capita grant

[13] Richardson, *CDBG Formula Targeting to Community Development Need*.

allocation. Thus, a higher Beta indicates a stronger effect of the need indicator in determining a county's grant allocation.

Table 5 reports the results of our regression analyses of community need on per capita formula grant allocations. Overall, 15 regressions were run for each formula; one for the composite needs index and one for both the count and percentage/rate for each of the seven community need indicators. The analysis shows that while the proposed DCA formula is most effective at targeting assistance to those counties most affected by notices of trustees' sale and REOs (RealtyTrac measure), the formula alternatives do a much better job of targeting assistance to the other dimensions of the mortgage foreclosure crisis (subprime loans, foreclosures, delinquent loans, REOs—McDash, residential vacancies in high subprime zip codes) and to our overall composite measure of community need. Among the formula alternatives, Formula 4 has the best overall performance, recording the highest R^2 and the highest slope in nine of the fifteen regression analyses including all seven of the count indicators. Formula 3 recorded the best targeting performance on three indicators, all rates, (percent of loans by subprime lenders, percent of loans foreclosed, and percent of loans delinquent), and Formula 1 achieved the highest R^2 on three measures (subprime loans, delinquent loans, and vacancy rate) and the largest slope on two measures (foreclosures, delinquent loans).

Conclusion

The main conclusion of our analysis is that the Georgia Department of Community Affairs should give serious consideration to revising the formula for distributing the state's Neighborhood Stabilization Program funds to local jurisdictions to improve targeting to the communities most affected by the mortgage foreclosure crisis. While DCA's proposed formula does a reasonably good job of directing funds to counties impacted by trustees' sales and REOs (as measured by RealtyTrac), it is less effective at targeting funding to high need communities as measured by other indicators of the mortgage foreclosure crisis, many of them predictive of future foreclosures and residential abandonment (see Table 6).

While many of the formula alternatives do a better job of targeting funds to the counties most affected by the mortgage foreclosure crisis than does DCA's proposed formula, it is the author's judgment that Formula 4 provides the best overall targeting performance based on the analyses presented in this report. Formula 4 performed the best in the regression analyses for all seven community need indicators and also for the overall composite measure of community need. In addition, Formula 4 also directed the largest share of funding to counties that ranked in the neediest quintile based on the overall composite needs index.

Table 5. Regression Analysis

	DCA	Formula 1	Formula 2	Formula 3	Formula 4	Formula 5	Formula 6
Summary							
Total no. of indicators with best targeting							
R^2	2	3	2	1	9	1	3
Slope	2	2	1	0	9	2	3
Number of count indicators with best targeting							
R^2	1	2	0	0	7	1	0
Slope	1	2	0	0	7	1	0
Number of rate indicators with best targeting							
R^2	1	1	2	1	2	0	3
Slope	1	0	1	0	2	1	3
Indicators							
Composite Needs Index							
R^2	.37	.47	.46	.43	.55	.53	.49
Slope	6.1	6.7	6.8	6.6	7.4	7.3	7.1
Constant	20.6	19.9	21.1	22.5	18.9	20.5	22.1
Notice of Trustees' Sale							
R^2	.27	.26	.25	.21	.28	.26	.21
Slope	5.3	5.1	5.0	4.6	5.3	5.1	4.7
Constant	18.0	17.3	18.6	20.2	16.0	17.7	19.7
NTS as a percent of housing units							
R^2	.56	.65	.67	.64	.59	.56	.54
Slope	7.5	8.1	8.2	8.0	7.7	7.5	7.4
Constant	8.6	6.7	8.2	9.9	5.6	7.8	9.9
Number of subprime loans							
R^2	.32	.36	.35	.31	.36	.34	.30
Slope	5.7	6.0	5.9	5.6	6.1	5.9	5.5
Constant	16.5	15.4	16.8	18.5	14.0	15.9	17.9

Table 5, cont'd.

	DCA	Formula 1	Formula 2	Formula 3	Formula 4	Formula 5	Formula 6
Percent of loans by subprime lenders							
R^2	.01	.02	.03	.03	.08	.08	.10
Slope	1.2	1.7	1.8	1.9	2.9	3.0	3.2
Constant	15.1	12.1	13.3	14.3	4.9	6.6	7.4
Number of foreclosures							
R^2	.33	.39	.38	.34	.40	.37	.33
Slope	5.8	6.3	6.2	5.9	6.3	6.1	5.8
Constant	16.1	14.9	16.2	17.9	13.4	15.4	17.3
Percent of loans foreclosed							
R^2	.01	.03	.02	.04	.07	.06	.09
Slope	0.1	1.8	1.7	2.0	2.7	2.5	3.0
Constant	20.8	13.6	15.5	15.7	8.8	11.6	11.4
Number of delinquent loans (30+ days)							
R^2	.34	.38	.37	.34	.38	.36	.32
Slope	5.9	6.2	6.1	5.8	6.2	6.0	5.7
Constant	16.0	15.0	16.3	18.0	13.6	15.5	17.5
Percent of loans delinquent (30+ days)							
R^2	.03	.10	.10	.12	.18	.16	.20
Slope	1.9	3.3	3.2	3.5	4.2	4.1	4.6
Constant	10.3	1.9	4.1	4.1	-5.5	-2.4	-3.0
Number of REOs (RealtyTrac)							
R^2	.29	.26	.25	.21	.29	.28	.23
Slope	5.4	5.2	5.1	4.6	5.5	5.3	4.8
Constant	18.3	17.6	18.9	20.5	16.3	18.1	20.0
REOs as a percent of housing units							
R^2	.84	.72	.73	.68	.68	.67	.62
Slope	9.1	8.5	8.6	8.3	8.3	8.2	7.9
Constant	11.5	11.2	12.6	14.4	9.9	11.8	13.9

Table 5, cont'd.

	DCA	Formula 1	Formula 2	Formula 3	Formula 4	Formula 5	Formula 6
Number of REOs (McDash)							
R^2	.27	.29	.28	.24	.31	.29	.25
Slope	5.2	5.4	5.3	4.9	5.6	5.4	5.0
Constant	17.9	17.0	18.3	20.0	15.7	17.5	19.4
REOs as a percent of loans							
R^2	.10	.27	.27	.26	.33	.30	.29
Slope	3.2	5.3	5.2	5.1	5.7	5.5	5.4
Constant	12.7	6.7	8.3	10.2	3.5	6.1	8.2
Number of residential vacancies in high subprime zip codes							
R^2	.16	.22	.22	.19	.25	.25	.21
Slope	4.1	4.8	4.7	4.4	5.0	5.0	4.6
Constant	17.5	16.2	17.5	19.2	14.7	16.4	18.4
Residential vacancy rate in high subprime zip codes							
R^2	.01	.02	.02	.02	.01	.00	.00
Slope	-1.3	-1.6	-1.5	-1.5	-1.2	-0.5	-0.6
Constant	23.8	23.9	24.8	26.3	22.2	22.0	23.8

Table 6. Summary Results of Targeting Analysis: Best Performing Formula by Type of Analysis.

Indicator	Quintile Analysis			Index of Inequity	Regression Analysis	
	Share of Funds	Median per capita grant	Ratio: Highest Need to Lowest Need Quintile		R^2	Slope
Notices of trustees' sale	DCA	F3	F1	DCA	F4-count F2-rate	F4-count F2-rate
Subprime loans	F6	F6	F5	F3	F1/F4-count F6-rate	F4-count F6-rate
Foreclosed loans	F6	F6	F4	F3	F4-count F6-rate	F1/F4-count F6-rate
Delinquent loans (30 days or more)	F6	F6	F4	F3	F1/F4-count F6-rate	F1/F4-count F6-rate
REOs (RealtyTrac)	DCA	DCA	F1	DCA	DCA/F4-count DCA-rate	F4-count DCA-rate
REOs (McDash)	F4	F6	F4	F1	F4-count F4-rate	F4-count F4-rate
Residential vacancies in high subprime zip codes	F6	F6	F5	F3	F4/F5-count F4/F5-rate	F4/F5-count F4/F5-rate
Composite needs index	F4	F3	F4	--	F4	F4

Formula 4 was calculated as follows:

$$\text{Jursidiction Allocation} = \text{Appropriation} \; *$$

$$\{ [.10 \; \{ .15 \; * \; \frac{\text{Subprime loans x \%Subprime loans}_i}{\Sigma \text{ Subprime loans x \%Subprime loans}_{\text{GA counties}}} \; +$$

$$.25 \; * \; \frac{\text{REOs}_{\text{RealtyTrac}} \text{ x \%REOs}_i}{\Sigma \text{ REO x \%REO}_{\text{GA counties}}} \; +$$

$$.25 \; * \; \frac{\text{REOs}_{\text{McDash}} \text{ x \%REOs}_i}{\Sigma \text{ REO x \%REO}_{\text{GA counties}}} \; +$$

$$.10 \; * \; \frac{\text{Foreclosures x \%Foreclosures}_i}{\Sigma \text{ Foreclosures x \%Foreclosures}_{\text{GA counties}}} \; +$$

$$.15 \; * \; \frac{\text{Subprime loans x \%Subprime loans}_i}{\Sigma \text{ Subprime loans x \%Subprime loans}_{\text{GA counties}}} \; +$$

$$.15 \; * \; \frac{\text{Delinquent loans x \%Delinquent loans}_i}{\Sigma \text{ Delinquent loans x \%Delinquent loans}_{\text{GA counties}}} \; + \quad]$$

$$* \quad \frac{\text{Vacancy rate in high subprime zip codes}_i}{\text{Vacancy rate in high subprime zip codes}_{\text{GA}}} \; + \; \}$$

Finally, it is important to emphasize that revising the state's proposed formula for distributing NSP funds will not only improve the overall targeting performance of the state's funding distribution, it will also have significant consequences for several counties. Appendix 5 reports the total grant funding for each county under the DCA formula and each of the six formula alternatives as well as the relative change in funding for each county under the six formula alternatives as compared to its proposed DCA grant award. Eighteen counties receive an increase in funding under all six formula alternatives of at least 100 percent or higher. For five of those counties (Walker, Whitfield, Butts, Floyd, and Troup), the increase is large enough to move those counties above the minimum threshold ($500,000) the state has established for state NSP Direct Allocation assistance.

There appear to be two primary factors that account for these large gains (Table 7). First, these are counties with relatively greater needs as compared to the statewide county medians on most of the needs indicators and many of these indicators were not included in DCA's proposed formula, or if they were, they were defined differently, used a different data source, or a different time period. Thus, the alternative formulas are tapping a broader dimension of mortgage foreclosure crisis need and the need in these counties was under represented in the DCA formula. A second factor that accounts for the large gains recorded by these counties is the discrepancy in the REO measures. The DCA formula derived their data on REOs (which were weighted .65) from RealtyTrac whereas the formula alternatives included two measures of REOs (weighted .40 to .50 depending on the alternative), each from a different source (RealtyTrac and McDash). In addition, the McDash Analytics data was further adjusted based on data from the U.S. Census Bureau, the Resident Finance Survey, and the Mortgage Bankers Association to account for under reporting of outstanding residential mortgages (see pages 5-6 and Appendix 1 for further discussion).

On the other hand, 15 counties receive a reduction of at least 50 percent in their proposed formula allocation under each of the six formula alternatives. Forsyth County, however, is the only county in that group with a proposed DCA allocation above the minimum threshold for direct assistance and it would maintain that status under each of the six formula alternatives, although at a lower level of funding.

Table 7. Needs Indicators and Funding Allocations for Selected Counties with Large Increases Under the Formula Alternatives.

	State Median	Butts	Floyd	Troup	Walker	Whitfield
Number of housing units	9855	9,245	39,903	26,955	28,456	35,167
Notice of Trustees' Sale	44	37	382	259	368	407
NTS as % of housing units	0.4%	0.4%	1.0%	1.0%	1.3%	1.2%
No. of subprime loans	349	1,134	1,919	1,823	3,076	2,044
Percent of loans subprime	12.8%	14.7%	11.5%	13.1%	20.7%	11.1%
No. of foreclosures	103	296	585	538	989	638
Percent of loans foreclosed	3.4%	3.8%	3.5%	3.9%	6.7%	3.5%
No. of delinquent loans	281	917	1,528	1,446	1,989	1,774
Percent of loans delinquent	9.7%	11.9%	9.1%	10.4%	13.4%	9.6%
No. of REOs--RealtyTrac	3	18	13	10	16	25
REOs as % of housing units	0.02%	0.19%	0.03%	0.04%	0.06%	0.07%
No. of REOs--McDash	31	147	259	190	199	249
REOs as % of loans	1.0%	1.9%	1.6%	1.4%	1.3%	1.4%
No. of vacancies in high subprime zip codes	242	43	0	1,495	1,803	343
Percent vacant in hi-subprime zip codes	6.2%	6.6%	0.0%	5.4%	6.6%	9.2%
Composite Needs Index	-0.13	0.03	-0.11	0.09	0.60	0.05
Grant Allocations						
DCA	102,429	185,071	266,567	263,109	311,733	303,947
Formula 1	133,583	625,051	848,596	741,864	1,291,569	1,062,883
Formula 2	153,756	557,584	858,279	822,865	1,261,998	891,147
Formula 3	170,513	601,527	931,720	926,959	1,468,276	994,063
Formula 4	121,910	556,529	732,572	653,572	1,525,215	921,732
Formula 5	135,266	495,336	740,861	718,767	1,472,152	778,086
Formula 6	156,610	539,954	812,918	816,267	1,770,276	877,798
Percent change, Form 1 v. DCA	-4%	238%	218%	182%	314%	250%
Percent change, Form 2 v. DCA	6%	201%	222%	213%	305%	193%
Percent change, Form 3 v. DCA	13%	225%	250%	252%	371%	227%
Percent change, Form 4 v. DCA	-8%	201%	175%	148%	389%	203%
Percent change, Form 5 v. DCA	4%	168%	178%	173%	372%	156%
Percent change, Form 6 v. DCA	11%	192%	205%	210%	468%	189%

Appendices

1. LISC Foreclosure Needs Score Methodology Appendix
2. U.S. Department of Housing and Urban Development Methodology for Allocation of $3.92 billion of Emergency Assistance for the Redevelopment of Abandoned and Foreclosed Homes
3. Factor Analysis Results Used to Create a Composite Index of Community Need
4. Histograms of Community Need Indicators
5. Listing of Georgia Counties and Proposed Grant Awards Under Various Formulas
6. Listing of Georgia Counties and Their Formula Data Elements

Appendix 1.

Research and Assessment

Foreclosure Needs Score Methodology Appendix **November 2008**

To help State governments identify areas of greatest need for Neighborhood Stabilization Program (NSP) funding, LISC researchers calculated a foreclosure needs score that incorporates factors specified in the authorizing legislation. This document describes how this score is calculated.

> NOTE: LISC has prepared a separate file showing the relative foreclosure needs scores at the ZIP Code level with each state. Those data are similar, but not entirely comparable with the CDBG Jurisdiction data discussed below. To access foreclosure needs scores at the ZIP Code level within each state, visit www.housingpolicy.org/foreclosure-response.html.

The Congressional legislation authorizing creation of the NSP requires States and local jurisdictions to allocate funding to areas (1) with the greatest percentage of home foreclosures; (2) the highest percentage of homes financed by a subprime mortgage related loan; and (3) identified by the grantee as likely to face a significant rise in the rate of home foreclosures. The legislation also allows grantees to add related factors they deem important.

Absent a single national source of data on these factors, researchers drew on information from four different sources:

- U.S. Census Bureau estimates of the total number of housing units by county;
- American Community Survey counts by county of the owner-occupied housing units with mortgages, and of single-family rental housing units;
- Residential Finance Survey on the share of U.S. single-family rental homes with mortgages
- Mortgage Bankers Association's National Delinquency Survey State-level reports on numbers of prime and subprime mortgages and their delinquency and default rates;
- ZIP Code level June 2008 reports from McDash Analytics (a vendor of loan performance data from the nation's largest loan servicers) on the performance of prime and subprime loans; and
- Special tabulation of the U.S. Postal Service data created by the US Department of Housing and Urban Development.

The indicators themselves include:

- First-lien mortgages in foreclosure as a percentage of all units with a residential mortgage;
- Subprime first-lien mortgages as a percentage of all units with a residential mortgage;
- First-lien mortgage delinquencies of 30 days or more as a percentage of all units with a residential mortgage (used to anticipate future foreclosures); and

- Vacancies as a percent of occupied units in ZIP codes with high rates of subprime loans (to reflect the program's emphasis on vacant properties).

Our treatment of these variables is similar to HUD's method for calculating relative need across states and local governments for the purpose of making the initial funds allocation. Most important was our method of weighting the percentage of foreclosures, subprime loans, and delinquencies by the actual counts of these same factors. This ensures that very small places with high percentages of foreclosures do not receive very large amounts of funding, in total disregard of the number of units involved.

To transform data and calculate the needs score, researchers:

(1) Converted ZIP Code level mortgage data to block group-level data.

McDash Analytics releases its data at the ZIP Code level, but the analysis needed to begin with block group data since block groups are the building blocks of the CDBG jurisdiction boundary definitions. To do this, we used a crosswalk between ZIP Codes and block groups based on each block group's share of ZIP+4 areas in a given ZIP Code.

The indicators included the number of mortgage loans, delinquencies, foreclosures, and real-estate owned (REO) properties. All loan and foreclosure counts are restricted to first-lien mortgages only. Delinquent loans are loans overdue by 30 days or more. Foreclosures include loans where banks have begun the foreclosure process, but have not sold the property to another owner. REO properties are counted separately, and while not directly used in the score calculation, are included on the final data file for reference.

(2) Weighted number of loans from McDash to correct for undercounting of outstanding mortgages

McDash data are incomplete, as are all other data sources. To correct for this, we weighted up the number of loans from the McDash file to the estimated number of total housing units with a mortgage.

We calculated the total housing units with a mortgage for owner-occupied and renter-occupied units separately. For owner-occupied homes, we multiplied the 2007 US Census county-level estimates of total housing units by the share of all homes that have owner-occupied mortgage loans outstanding from the 2006 American Community Survey (ACS). To estimate rental units with mortgages, we assumed based on the 2002 Residential Finance Survey that 40 percent of the single-family rental homes (as reported in the ACS) had mortgages. The two components were added together to estimate the number of total mortgage loans outstanding per county. We then applied the distribution of each county's mortgage loans across block groups from the 2000 Decennial Census. Original McDash percentages of foreclosures, subprime loans and delinquent loans in each block group were used to calculate new counts based on the adjusted total of outstanding mortgages.

(3) Further adjusted the interim McDash subprime loan counts to match counts from the Mortgage Bankers Association (MBA), the single best source on the number of subprime loans.

The MBA's June 2008 National Delinquency Survey (NDS) provides more accurate state-level percentages of subprime loans, so we multiplied the MBA shares by our estimated number of outstanding mortgage loans to create control counts for subprime loans by state. The state adjustment was applied to each block group's number of subprime loans, so our state counts of subprime loans equaled the MBA totals.

(4) Adjusted interim state totals of foreclosures and delinquencies with results from the NDS.

In the states where McDash counts of foreclosures and delinquent loans fell short of the NDS totals for these categories, the counts were pro-rata adjusted across all block groups to produce counts equal to the MBA totals. (In some states, the NDS showed lower delinquency or foreclosure percentages than calculated from McDash, in which case the higher estimates were retained.) These steps ensured a reasonable correspondence between estimates from two different sources of mortgage loan, delinquency, and foreclosure information, and while doing so, maintained the relative inter-jurisdictional proportions.

(5) Summed block group data to CBDG jurisdiction-level data and calculated percentages.

Based on a HUD correspondence file listing the block groups that made up the 2005 CDBG jurisdictions, we summed the block group data up to jurisdiction-level counts of the mortgage loan categories. We then calculated the three key measures used in the needs score: percent of loans in foreclosure, percent of loans that are subprime, and the percent of loans that are delinquent.

(6) Calculated an initial score for each CDBG jurisdiction

To account for the incidence as well as the concentration of each measure, we created three product indicators:

- Percent of loans in foreclosure weighted by number of foreclosures
- Percent of subprime loans weighted by number of subprime loans
- Percent of delinquent loans weighted by number of delinquent loans.

In other words, the percent of foreclosures was multiplied by the number of foreclosures, and so on.

We next needed to standardize the three products since the ranges of the values varied greatly. To create comparable values that would give the indicators equal weight, we calculated what share each jurisdiction's product represented of the total product summed across all CDBG jurisdictions.

We summed these three shares for each place to create an initial allocation score.

(7) Adjusted each initial score by a local vacancy factor.

Following HUD's example, each jurisdiction's initial score was multiplied by the ratio of the local vacancy rate in high subprime ZIP Codes to the overall state vacancy rate in high subprime ZIP codes.

High-subprime ZIP Codes are those that fell in the top quartile nationwide of the percent of first-lien mortgages that are subprime. In these ZIP Codes, more than 16.7 percent of loans are subprime. The vacancy rate adjustment to the initial score was capped at 10 percent, making the minimum adjustment equal to 0.9 and maximum equal to 1.1.

(8) Created a final score for each jurisdiction, indicating need relative to other CBDG jurisdictions within the same state.

Using the adjusted initial scores in (7), we assigned a final score of 100 to the CDBG jurisdiction with the highest adjusted initial score in each state, which identified it as the neediest jurisdiction. Each remaining jurisdiction was assigned a final score based on the ratio of its adjusted initial score to the adjusted initial score of the neediest jurisdiction. For example, Detroit's initial score of 80 made it Michigan's neediest jurisdiction, earning it the top final score of 100. A jurisdiction with an adjusted initial score 20 would receive a final score of 25 (20 being 25 percent of 80).

***

Geographic Note: The latest CDBG jurisdiction boundary definitions that were available to LISC at the time of this analysis were from 2005. Between 2005 and 2008, 24 additional jurisdictions qualified for the program and five jurisdictions were dropped. Only one of the excluded areas, Homestead, FL received a local NSP allocation. Most of these were small areas (see Appendix A). For the states with jurisdiction changes, updating our analysis using the jurisdiction list would alter the final scores (although would most likely not effect the neediest jurisdiction's score of 100). However, our method of weighting the need indicators by the number of loans would minimize the effect of the updated areas on the overall rankings, so we decided that the current scores would be of sufficient use to local communities to publish this version. If a 2008 boundary file becomes available in the near-term, we plan to update this analysis.

Appendix 2

Methodology for Allocation of $3.92 billion of Emergency Assistance for the Redevelopment of Abandoned and Foreclosed Homes

Section 2301 of the Housing and Economic Recovery Act of 2008 calls for allocating $3.92 billion for state and local governments (as such terms are defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302)) for emergency assistance with redeveloping abandoned and foreclosed homes. The statute calls for the funds to be used to:

(A) "establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-seconds, loan loss reserves, and shared-equity loans for low- and moderate-income homebuyers;
(B) purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties;
(C) establish land banks for homes that have been foreclosed upon; and
(D) demolish blighted structures." (2301(c)(3))

The statute directs that the funds be allocated to "States and units of general local government with the greatest need, as such need is determined in the discretion of the Secretary based on

(A) the number and percentage of home foreclosures in each State or unit of general local government;
(B) the number and percentage of homes financed by a subprime mortgage related loan in each State or unit of general local government; and
(C) the number and percentage of homes in default or delinquency in each State or unit of general local government." (2301(b)(3))

It further notes that the formula is to be developed within 60 days of enactment (2301(c)) and that no state shall receive less than 0.5 percent of the amount appropriated (2302).

The statute also provides direction to grantees that they should give priority emphasis in targeting the funds that they receive to "those metropolitan areas, metropolitan cities, urban areas, rural areas, low- and moderate-income areas, and other areas with the greatest need, including those--
(A) with the greatest percentage of home foreclosures;
(B) with the highest percentage of homes financed by a subprime mortgage related loan; and
(C) identified by the State or unit of general local government as likely to face a significant rise in the rate of home foreclosures." (2301(c)(2))

Allocation

- **Grantee Universe.** The statute calls for allocating the Neighborhood Stabilization Program (NSP) funds to state and local governments. The initial grantee universe is comprised of the 1,201 state and local governments funded in FY 2008 under the regular Community Development Block Grant formula. However, if a local government receives an allocation based on their relative need (as discussed below) of less than $2 million, its allocation amount is rolled up into the state government grant. Of the 1,201 eligible state and local governments, 308 grants are made to states and local governments (including Puerto Rico, the District of Columbia, and the four insular areas).

Because this funding is one-time funding and the eligible activities under the program are different enough from the regular program, HUD believes that a grantee must receive a minimum amount of $2 million to have adequate staffing to properly administer the program effectively. In addition, fewer grants will allow HUD staff to more effectively monitor grantees to ensure proper implementation of the program and reduce the risk for fraud, waste, and abuse.

- **Minimum Grant to States.** The statute calls for no state (including Puerto Rico) to receive less than 0.5 percent of the appropriation. This equates to $19.6 million as a minimum grant for each state government. To meet this requirement, HUD first allocates funds based on relative need (see below) to each state as a whole (both entitled and non-entitled areas). If the state as a whole would receive less than $19.6 million, the state total is increased to $19.6 million. Sub allocations to the state government and local governments are then made as follows:

    - Each state government is allocated $19.6 million.
    - If the statewide allocation is more than $19.6 million, the remaining funds are allocated to state and local governments proportional to their relative need.
    - If a local government receives less than $2 million under this sub-allocation, their grant is rolled up into the state government grant.

  Note, this approach provides state governments with proportionally more funding than their estimated need under the assumption that state governments will serve both those areas not receiving a direct grant and those areas that do receive a direct grant, making sure that the total of all funds in the state are going proportionally more to those places (as prescribed by the statute):

    - *"with the greatest percentage of home foreclosures;*
    - *with the highest percentage of homes financed by a subprime mortgage related loan; and*
    - *identified by the State or unit of general local government as likely to face a significant rise in the rate of home foreclosures." (2301(c)(2))*

- **Two step allocation - statewide allocation.** The statute calls for allocating funds based on the number and percent of foreclosures, subprime loans, and loans delinquent or default. HUD staff experience is that the best source of data on those factors comes from the Mortgage Bankers Association National Delinquency Survey (MBA-NDS). This survey has been conducted for over 30 years and provides information on more than 70 percent of all active mortgages every quarter. The data are available at the state level. For the subprime and delinquency variables, HUD uses data from the second quarter of 2008. For foreclosures, HUD uses the sum of all foreclosure starts for all of 2007 and the first half of 2008.[1]

  However, because the MBA-NDS only covers about 70 percent of all active mortgages, and the distribution in coverage could be different from state-to-state, HUD adjusts the MBA-NDS data using (a) statewide data from the 2006 American Community Survey on number of owner-occupied dwelling with a mortgage and (b) increases that number by the fraction of mortgages made between 2004 and 2006 that were investor-owned in the Home Mortgage Disclosure Act (HMDA) data[2]. Since approximately 44 percent of single-family rental units have a mortgage (2001 Residential Finance Survey) and the investor owned properties are a significant contributor

[1] HUD elected to use this measure of "foreclosure starts" over a period of time rather than "currently in foreclosure" because we wanted to capture the volume of foreclosures independent of state laws and other actions locally that may affect how long a property is in the foreclosure process.

to the inventory of foreclosed homes, HUD staff believe it is important that loans made to investors be included in estimating the statewide total of mortgages in place, particularly since homeownership rates vary from state to state.

The statewide allocation is calculated using the following formula:

Statewide Allocation = Appropriation *

$$\{ [\, 0.7 * \frac{\text{State's foreclosure starts in last 6 quarters}}{\text{National foreclosure starts in last 6 quarters}} * \frac{\text{State foreclosure rate}}{\text{National foreclosure rate}} +$$

$$0.15 * \frac{\text{State's Number of subprime loans}}{\text{National number of subprime loans}} * \frac{\text{State subprime rate}}{\text{National subprime rate}} +$$

$$0.10 * \frac{\text{State's number of loans in default}}{\text{National number of loans in default}} * \frac{\text{State default rate}}{\text{National default rate}} +$$

$$0.05 * \frac{\text{State's loans 60 to 89 days delinquent}}{\text{National loans 60 to 89 days delinquent}} * \frac{\text{State 60 to 89 day delinq rate}}{\text{National 60 to 89 day delinq rate}} \,]$$

$$* \frac{\text{State vacancy rate in Census Tracts with more than 40\% of the loans High-cost[3]}}{\text{National vacancy rate in Census Tracts with more than 40\% of the loans High-cost}} \}$$

Where the rate of a foreclosures, subprime loans, defaults, or delinquencies in a state relative to the national rate of that problem cannot increase or reduce a state's share of the problem by more than 30 percent and a state's vacancy rate difference relative to the national average cannot increase or decrease a state's proportional share of the problems by more than 10 percent.[4] If a statewide allocation is less than $19.6 million, the statewide grant is increased to $19.6 million. Because this approach will result in a total allocation in excess of appropriation, all grants above $19.6 million are reduced pro-rata to make the total allocation equal to the total appropriation.

Note that 70 percent of the funds are allocated based on the number and percent of foreclosures, 15 percent for subprime loans, 10 percent for loans in default, and 5 percent for delinquent loans. The higher weight on foreclosures is based on the emphasis the statute places on targeting foreclosed homes.[5]

The statute specifies that funds be targeted toward the places most likely to need assistance with addressing the problems associated with abandoned homes due to foreclosure. To ensure that the funds not only target to foreclosure, but also to abandonment caused by foreclosure, HUD adjusts a

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[2] This is calculated as total mortgages = ACS Owner Occupied with mortgage *[1+(HMDA investor mortgages/HMDA renter mortgages)].

[3] Vacancy data are from a June 2008 extract of USPS data on addresses vacant for 90 days or longer in urban areas. Data on high cost loans are based on the sum of HMDA data for 2004 to 2006 on loans being made at 3 basis points or more above prime. The vacancy rate is calculated as the sum of vacant addresses in areas with high cost loans divided by all addresses in the state. The national rate is 1.1 percent.

[4] HUD was unable to identify reliable data on foreclosures, subprime loans, or delinquencies for the Insular areas. As such, HUD estimated insular area rates using the same model as it uses for the substate allocations. Only unemployment rate is used because there are not OFHEO or HMDA data available for insular areas.

[5] Delinquency rates and subprime rates correlate very highly with the foreclosure rate. As such, changing the weights has only a small impact on actual allocations.

state's proportional share of need associated with foreclosures, subprime loans, and defaults and delinquencies upward for states with relatively higher rates of vacancies of 90 days or more when those vacancies are in neighborhoods with high concentrations of high-cost loans. States with lower rates of vacancies have their share of need adjusted downward. Because high rates of high cost loans are a good predictor of foreclosures, HUD uses the 90-day vacancy information from the United States Postal Service as of June 2008 in those neighborhoods with a high rate of high cost loans as a proxy to predict abandonment risk. As noted above, a state's share of overall need can only be adjusted up or down by 10 percent using this factor.

- **Two step allocation - sub-state allocation.** Substate allocations work like a mini-formula. The appropriation amount is the amount calculated for the statewide allocation. A new formula is then applied to divide that "pie" up among the CDBG eligible grantees within that state.

  Data on foreclosures, subprime loans, and delinquencies are available from various private sources at county, zip code, and metropolitan levels. Those sources, however, have varying levels of coverage and transparency as to how the data are collected and aggregated. In addition, the short time frames needed to make this allocation made it unlikely that access to these private data could be negotiated with the vendors in a timely manner to meet the deadlines for this allocation. There are no public data sources collected evenly across the United States on most foreclosures, delinquencies, and subprime loans. Nonetheless, there are data from public data sources that can reliably predict where the foreclosure crisis is occurring or may occur. HUD analysis shows that 75 percent of the variance between states on foreclosure rates can be explained by three variables available from public data:

  - Office of Federal Housing Enterprise Oversight (OFHEO) data on decline in home values as of June 2008 compared to peak home value since 2000.
  - Federal Reserve Home Mortgage Disclosure Act (HMDA) data on percent of all loans made between 2004 and 2006 that are high cost.
  - Labor Department data on unemployment rates in places and counties as of June 2008.

  Because these three variables are publicly available for all CDBG eligible communities and they are good predictors of foreclosure risk, HUD used them to estimate foreclosure rates in each jurisdiction within a state.

  Using a simple linear regression, we created a model to estimate the foreclosure rate for each entitlement community, using the following formula:[6]

  Model Foreclosure Rate=-2.211

  - (0.131*Percent change in MSA OFHEO current price (June 2008) relative to the maximum in past 8 years)

  + (0.152*Percent of total loans made between 2004 and 2006 that are high cost[7])

  + (0.392*Percent unemployed in the place our county in June 2008[8]).

[6] This regression has an R-square of 0.750 (correlation 0.866).
[7] A high cost loans is one with a rate spread is 3 percentage points above the Treasury security of comparable maturity.
[8] Unemployment rate is capped at 10 percent to correct for anomalies in the estimated foreclosure rate created by extremely high unemployment rates.

This model foreclosure rate can then be multiplied times the estimated number of mortgages within a jurisdiction (number of HMDA loans made between 2004 and 2006 times the ratio of ACS 2006 data on total mortgages in state / HMDA loans in state) to calculate the number of foreclosures in a jurisdiction. This estimated number of foreclosures in the jurisdiction is further adjusted such that when summed for all jurisdictions within the state it equals the total foreclosure starts in the state used for the statewide allocations.[9]

Each jurisdiction's allocation is thus calculated as follows:

Local Allocation = (Statewide allocation - $19,600,000) *

[(<u>Local estimated foreclosure starts in last 6 quarters)</u> *
State total foreclosure starts in last 6 quarters

<u>(Local vacancy rate in Census Tracts with more than 40% of the loans High-cost)</u>]
State vacancy rate in Census Tracts with more than 40% of the loans High-cost

Where the vacancy rate adjustment can't increase or reduced a local jurisdiction's allocation by more than 30 percent.

Local governments with an allocation of less than $2 million have their grants rolled into the state government grant allocation.

[9] This model also has high predictive value relative to other sources of data on foreclosures and subprime loans. Relative to the rate of statewide foreclosures from the private vendor RealtyTrac, this model has a correlation of 0.784. Relative to the rate of problems for subprime and Alt-A loans available from First American Core Logic, the correlation is 0.846. Relative to the 90 day delinquency rate from Equifax data, the correlation is 0.893. In general, all of these measures correlate well with each other, but the correlation of the model against each of these measures is often higher than they are with one another.

Apprendix 3. Factor Analysis Results.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	7.550	53.931	53.931	7.550	53.931	53.931
2	2.605	18.611	72.541	2.605	18.611	72.541
3	1.304	9.317	81.859	1.304	9.317	81.859
4	0.730	5.212	87.071			
5	0.650	4.642	91.713			
6	0.386	2.757	94.470			
7	0.306	2.184	96.654			
8	0.197	1.405	98.059			
9	0.137	0.975	99.034			
10	0.119	0.852	99.887			
11	0.010	0.069	99.955			
12	0.003	0.018	99.973			
13	0.002	0.015	99.988			
14	0.002	0.012	100.000			

Extraction Method: Principal Component Analysis.

Component Matrix(a)

	Component		
	1	2	3
NTS	0.968	-0.067	0.137
NTS as pct of housing units	0.734	0.021	-0.452
No. of subprime loans	0.975	-0.038	0.075
Pct of loans subprime	-0.009	0.852	0.140
No. of foreclosures	0.974	-0.021	0.056
Pct of loans in foreclosure	-0.034	0.844	0.090
No. of delinquent loans	0.968	-0.044	0.015
Pct of loans delinquent 30+ days	0.019	0.921	-0.023
REOs	0.961	-0.036	0.161
REOs as pct of housing units	0.769	0.099	-0.411
No. of REOs	0.962	-0.028	0.157
REOs as pct of loans	0.314	0.539	-0.305
No. of vacant hi-subprime residential	0.828	-0.008	0.303
Vacancy rate in hi-subprime residential addresses	-0.103	0.084	0.800

Extraction Method: Principal Component Analysis.

a. 3 components extracted.

Composite index was constructed as follows:

Composite Index = .65 * Factor 1 + .25 * Factor 2 + .10 * Factor 3

Appendix 4. Histograms of Community Need Indicators.

Fig A1. Notice of Trustee Sales as a Percentage of Total Housing Units January – September 2008

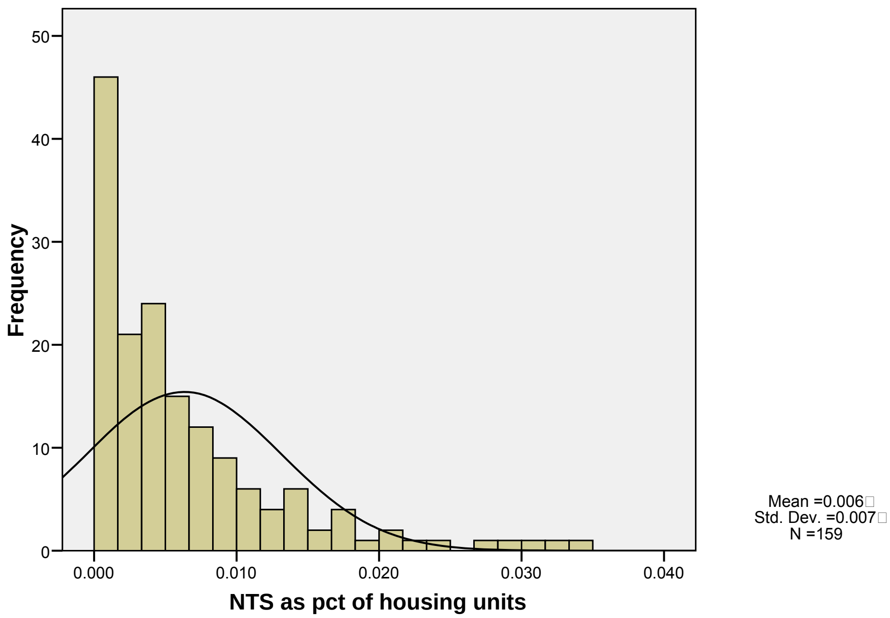
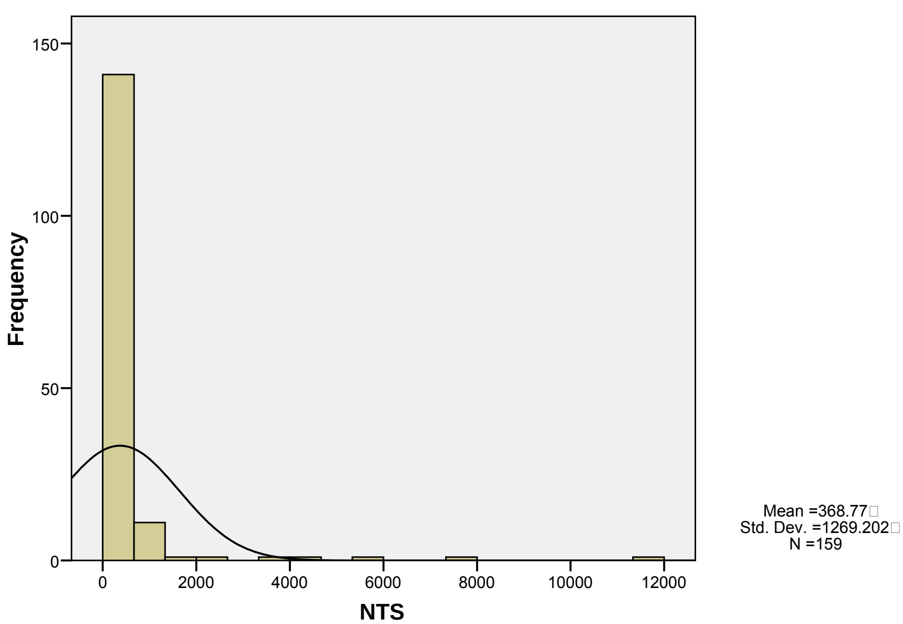


Fig A2. Number of Notices of Trustees' Sale



Appendix 4. Histograms of Community Need Indicators.

Fig. A3. Percent of First-Lien Loans Made by Subprime Lenders
As of June 30, 2008

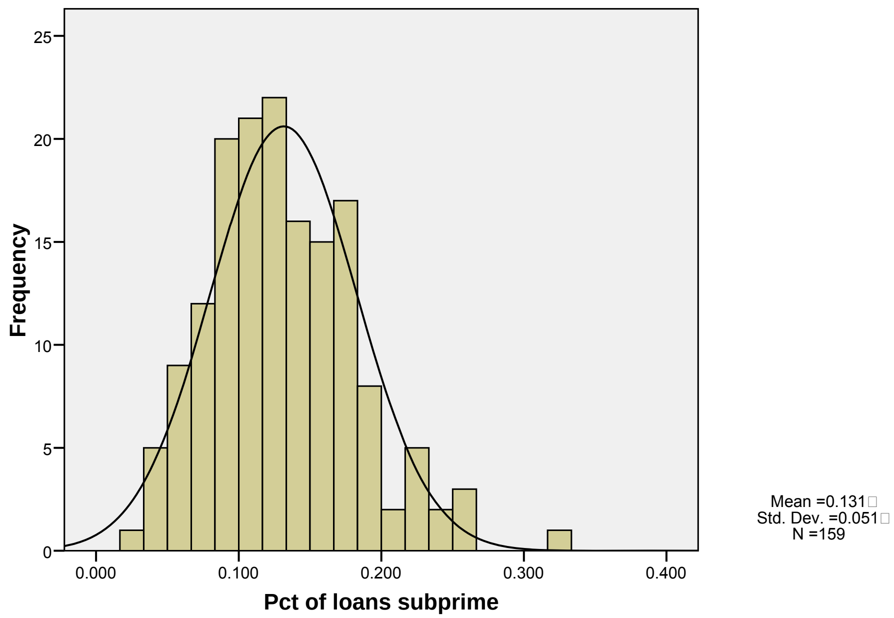
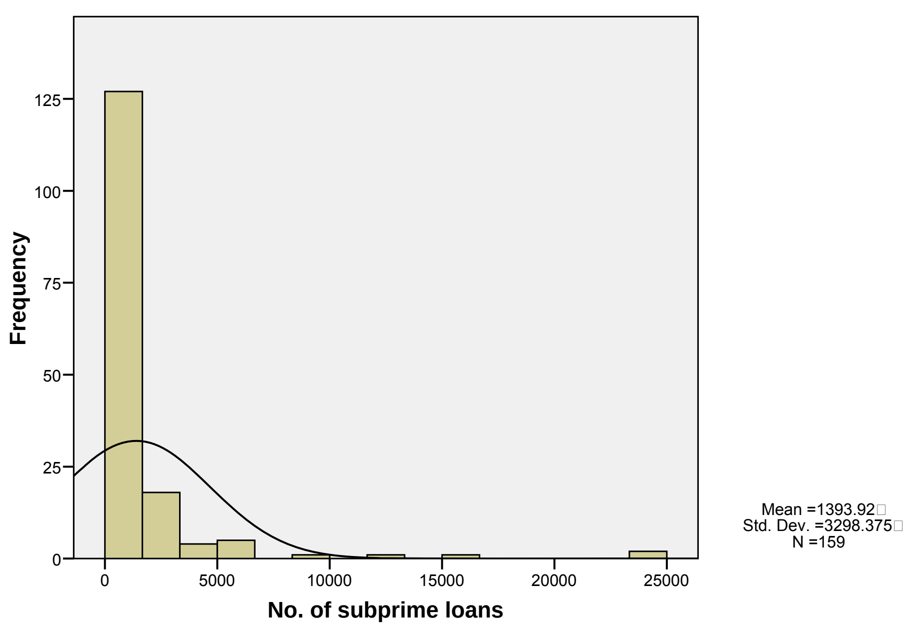


Fig. A4. Number of First-Lien Loans Made by Subprime Lenders
As of June 30, 2008



Appendix 4. Histograms of Community Need Indicators.

Fig. A5. Percent of First-Lien Loans Foreclosed As of June 30, 2008

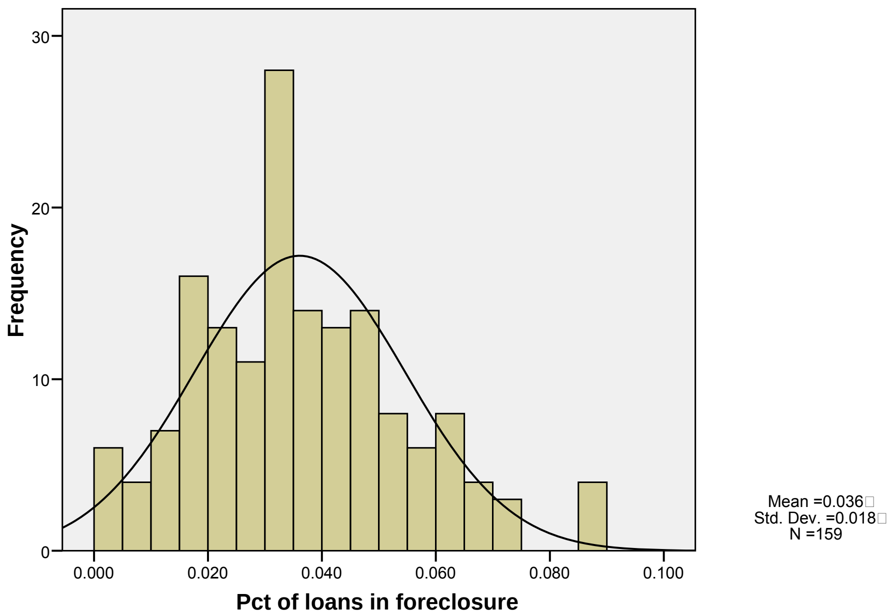
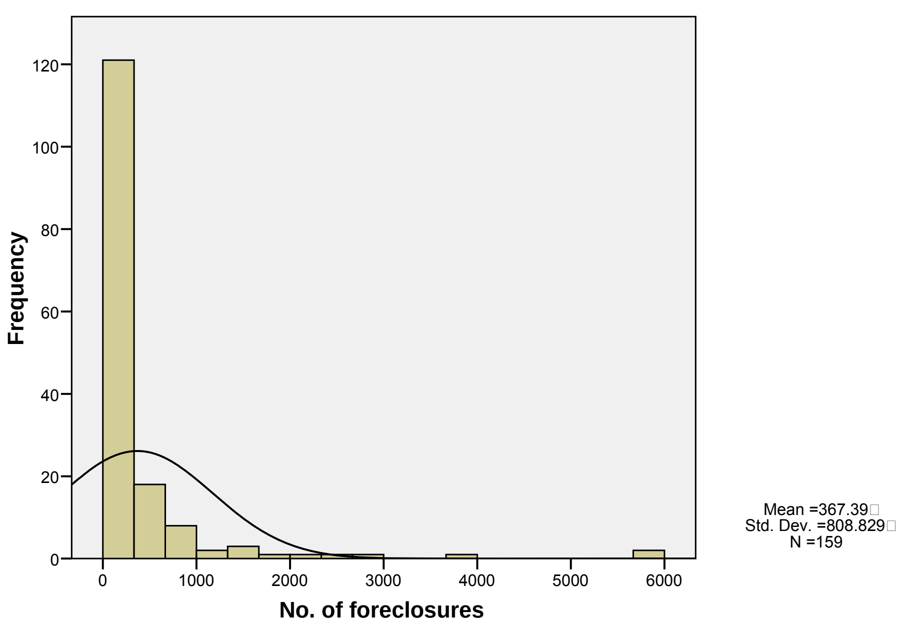


Fig. A6. Number of First-Lien Loans Foreclosed As of June 30, 2008



Appendix 4. Histograms of Community Need Indicators.

Fig A7. Percent of First-Lien Loans Delinquent for 30+ days As of June 30, 2008

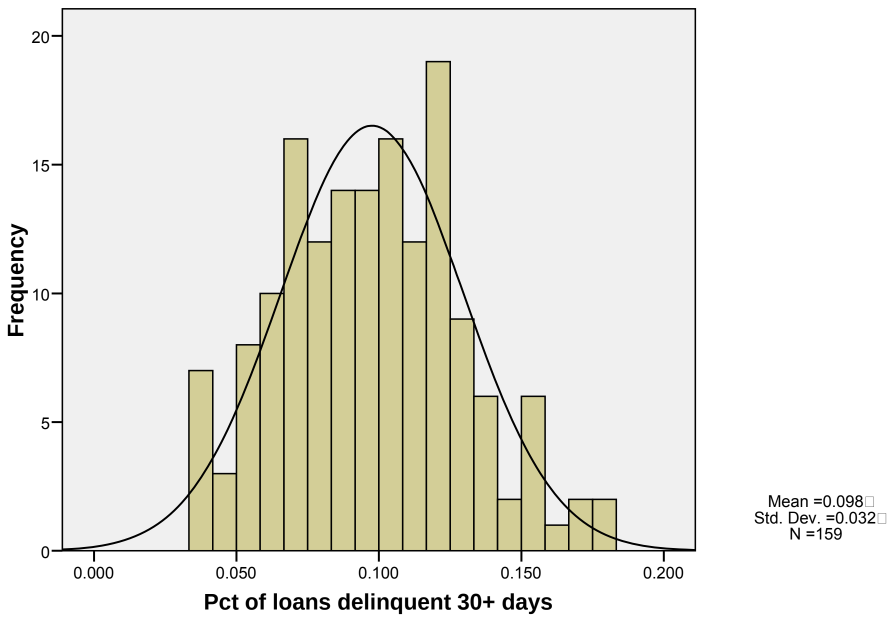
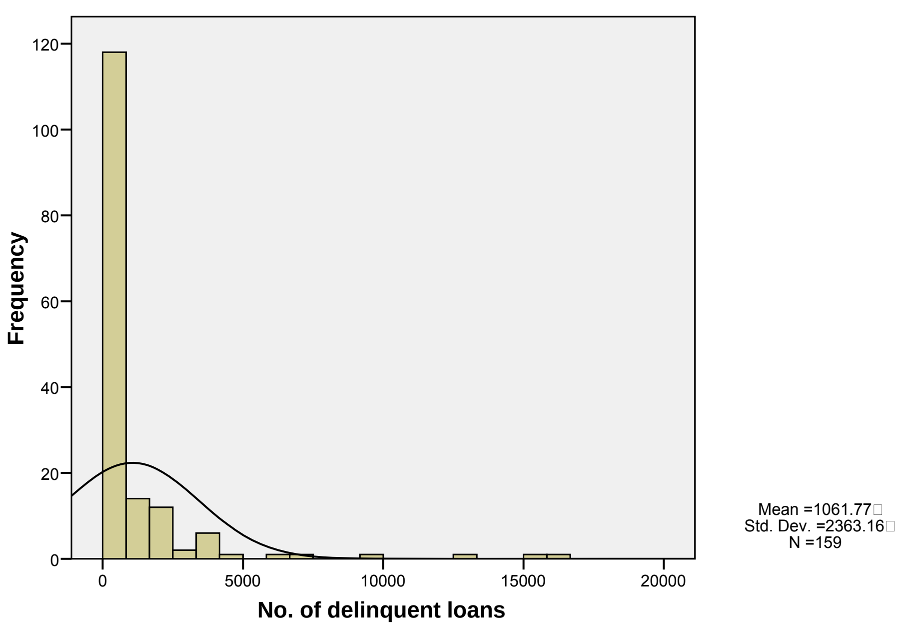


Fig A8. Number of First-Lien Loans Delinquent for 30+ days As of June 30, 2008



Appendix 4. Histograms of Community Need Indicators.

**Fig A9. REOs as a Percentage of Total Housing Units (RealtyTrac)
January 2008 – September 2008**

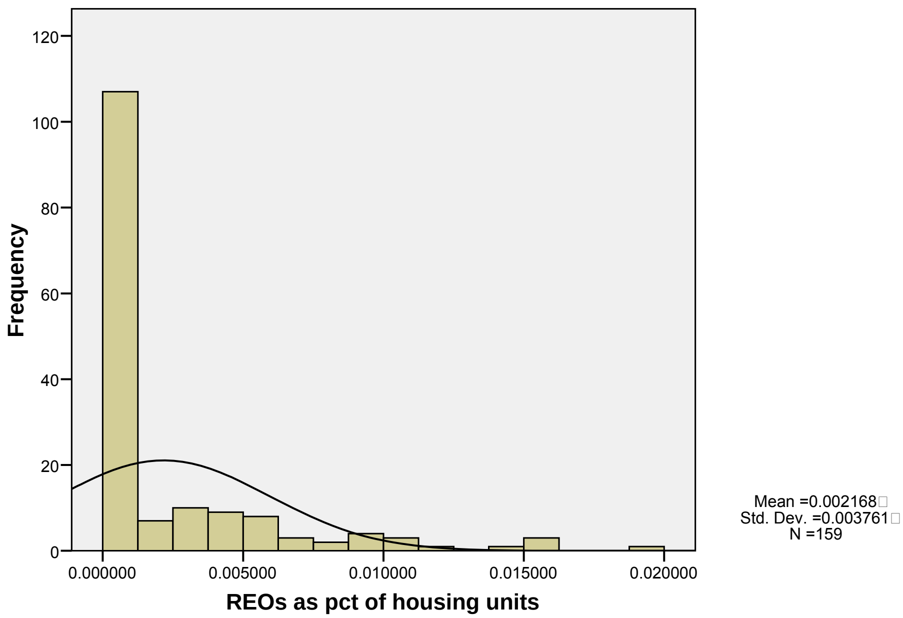
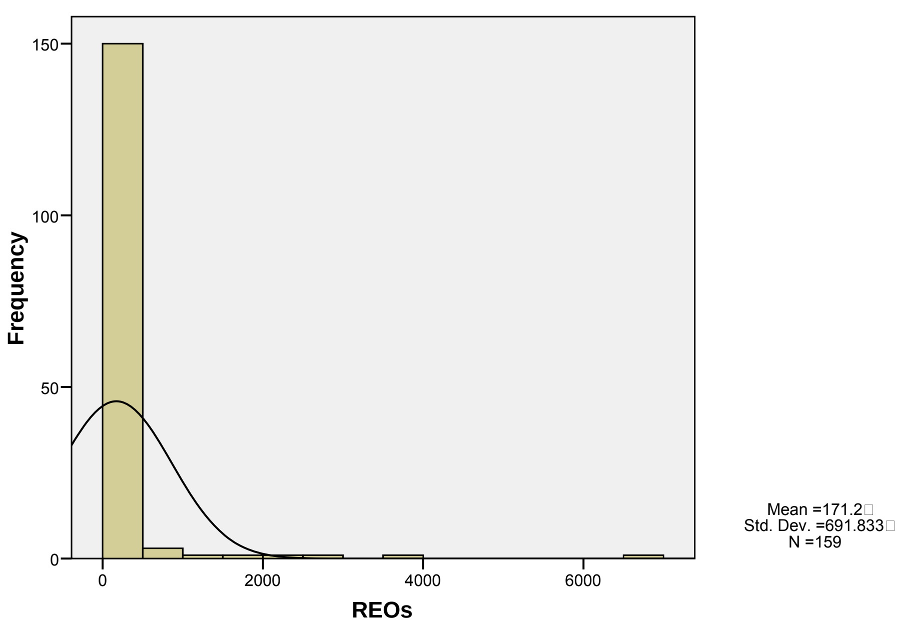


**Fig A10. REOs as a Percentage of Total Housing Units (RealtyTrac)
January 2008 – September 2008**



Appendix 4. Histograms of Community Need Indicators.

Fig A11. REOs as a Percentage of First-Lien Loans (McDash)
As of June 30, 2008

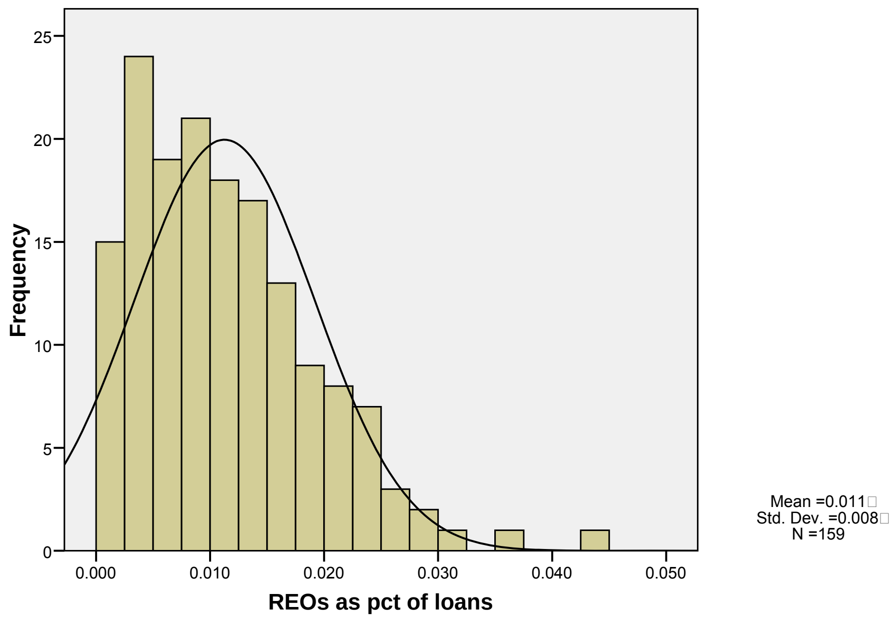
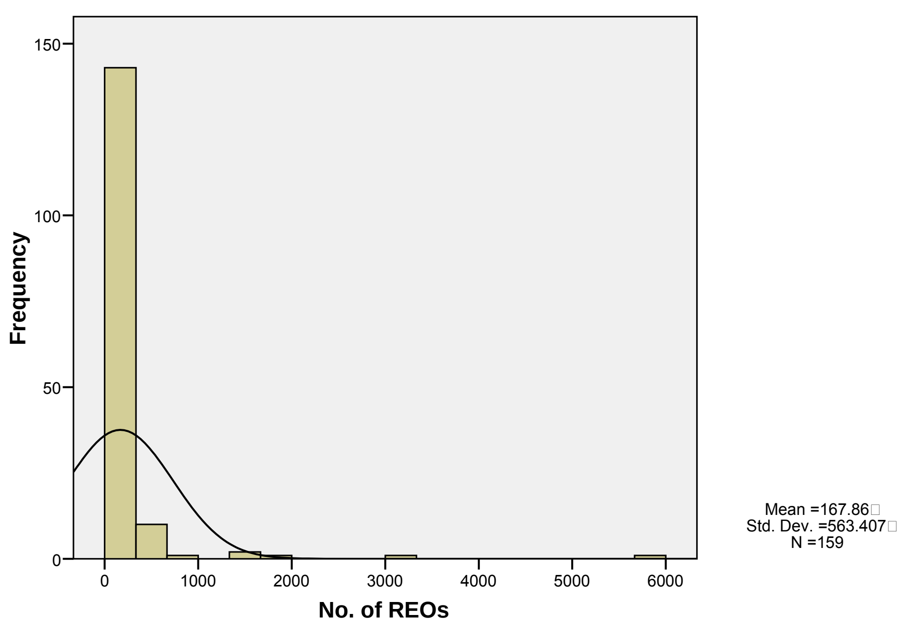


Fig A12. REOs as a Percentage of First-Lien Loans (McDash)
As of June 30, 2008



Appendix 4. Histograms of Community Need Indicators.

Fig A13. Residential Vacancy Rate in Zip Codes with High Levels of Subprime Lending (> 17.2%) As of June 30, 2008

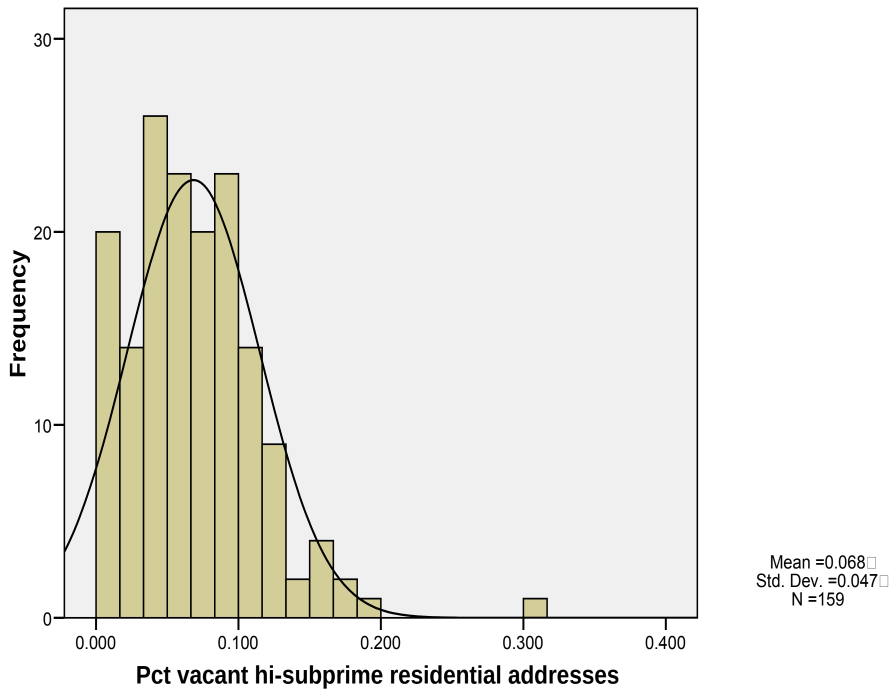
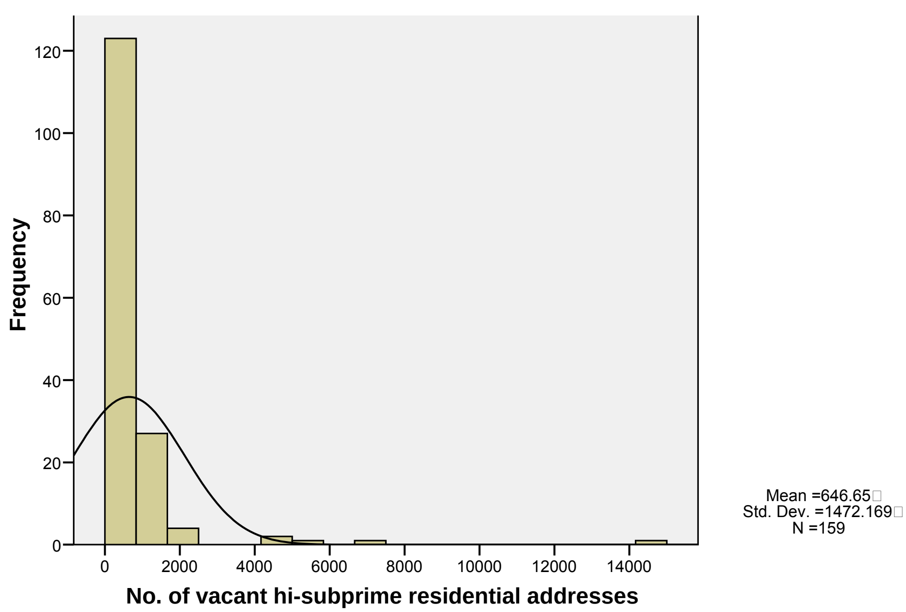


Fig A14. Number of Residential Vacancies in Zip Codes with High Levels of Subprime Lending (> 17.2%) As of June 30, 2008



Appendix 5. Listing of County Allocations Under Various Formula Alternatives.

									Alternative Change in Funding Relative to DCA Proposed Grant					
County	No. of housing units	DCA	Formula 1	Formula 2	Formula 3	Formula 4	Formula 5	Formula 6	Form 1	Form 2	Form 3	Form 4	Form 5	Form 6
Appling	7,971	80,039	64,686	122,861	131,434	59,789	161,428	170,623	-19%	54%	64%	-25%	102%	113%
Atkinson	3,213	32,866	20,037	21,766	24,767	25,728	27,252	33,101	-39%	-34%	-25%	-22%	-17%	1%
Bacon	4,507	72,092	17,702	45,387	50,307	14,998	55,612	59,873	-75%	-37%	-30%	-79%	-23%	-17%
Baker	1,765	21,039	2,577	2,582	2,932	3,433	3,439	3,758	-88%	-88%	-86%	-84%	-84%	-82%
Baldwin	19,111	130,608	434,852	467,018	510,503	383,161	423,285	466,794	233%	258%	291%	193%	224%	257%
Banks	6,769	146,907	122,756	143,059	150,173	100,456	116,589	124,923	-16%	-3%	2%	-32%	-21%	-15%
Barrow	25,547	1,393,262	1,838,346	1,917,061	1,983,881	1,542,429	1,589,445	1,674,507	32%	38%	42%	11%	14%	20%
Bartow	36,998	1,146,907	965,881	965,300	1,053,678	813,414	809,763	901,149	-16%	-16%	-8%	-29%	-29%	-21%
BenHill	7,940	217,367	147,310	170,840	192,145	159,719	179,957	215,872	-32%	-21%	-12%	-27%	-17%	-1%
Berrien	7,527	49,676	87,461	115,015	124,442	74,245	103,774	112,453	76%	132%	151%	49%	109%	126%
Bibb	71,569	4,078,636	4,582,827	4,238,301	4,281,358	4,143,085	4,097,847	4,189,282	12%	4%	5%	2%	0%	3%
Bleckley	5,132	53,573	48,983	66,859	74,689	43,050	61,406	68,631	-9%	25%	39%	-20%	15%	28%
Brantley	6,608	46,848	67,162	100,346	113,571	66,691	123,129	137,497	43%	114%	142%	42%	163%	193%
Brooks	7,346	50,672	53,148	81,346	88,674	46,761	93,452	100,345	5%	61%	75%	-8%	84%	98%
Bryan	11,927	122,394	197,877	226,148	252,857	145,154	161,116	188,098	62%	85%	107%	19%	32%	54%
Bulloch	26,873	140,349	193,760	192,818	239,892	158,785	156,496	202,044	38%	37%	71%	13%	12%	44%
Burke	9,275	92,425	144,023	126,305	143,816	139,348	122,979	141,669	56%	37%	56%	51%	33%	53%
Butts	9,245	185,071	625,051	557,584	601,527	556,529	495,336	539,954	238%	201%	225%	201%	168%	192%
Calhoun	2,343	76,266	12,670	14,870	14,837	9,470	11,075	11,524	-83%	-81%	-81%	-88%	-85%	-85%
Camden	20,838	131,101	259,333	250,004	296,380	205,728	194,718	240,892	98%	91%	126%	57%	49%	84%
Candler	3,961	48,016	43,408	43,844	53,648	47,056	48,301	61,494	-10%	-9%	12%	-2%	1%	28%
Carroll	45,388	2,576,619	2,843,306	2,930,185	2,910,715	2,536,899	2,610,670	2,608,004	10%	14%	13%	-2%	1%	1%
Catoosa	26,037	530,845	575,955	586,488	675,483	479,941	485,120	574,437	8%	10%	27%	-10%	-9%	8%
Charlton	4,066	87,183	86,608	91,073	95,938	84,056	90,262	95,922	-1%	4%	10%	-4%	4%	10%
Chatham	113,250	3,982,557	3,893,175	3,663,155	3,853,647	3,436,993	3,262,557	3,478,528	-2%	-8%	-3%	-14%	-18%	-13%
Chattahoochee	3,355	79,438	28,989	27,428	32,156	35,531	32,492	41,747	-64%	-65%	-60%	-55%	-59%	-47%
Chattooga	10,894	107,321	303,218	333,608	368,422	288,782	312,774	357,185	183%	211%	243%	169%	191%	233%
Cherokee	78,925	3,154,823	1,965,430	2,034,860	1,999,902	1,423,111	1,462,682	1,474,288	-38%	-36%	-37%	-55%	-54%	-53%
Clarke	49,962	395,829	442,817	445,720	482,141	327,137	326,314	361,815	12%	13%	22%	-17%	-18%	-9%
Clay	1,961	26,064	640	5,028	5,184	419	6,286	6,376	-98%	-81%	-80%	-98%	-76%	-76%
Clayton	105,978	9,732,126	9,732,126	9,897,895	9,732,126	13,837,395	14,175,537	13,606,719	0%	2%	0%	42%	46%	40%
Clinch	2,908	45,372	33,074	43,520	49,980	53,033	64,362	72,389	-27%	-4%	10%	17%	42%	60%
Cobb	278,037	8,582,355	6,889,134	6,889,134	6,889,134	6,889,134	6,889,134	6,889,134	-20%	-20%	-20%	-20%	-20%	-20%
Coffee	16,693	177,221	360,980	401,000	443,104	491,656	532,276	616,578	104%	126%	150%	177%	200%	248%
Colquitt	18,361	112,561	156,840	160,079	187,718	133,401	134,838	161,050	39%	42%	67%	19%	20%	43%
Columbia	42,894	622,827	505,800	585,340	648,214	312,724	342,000	407,490	-19%	-6%	4%	-50%	-45%	-35%
Cook	6,856	48,293	192,949	195,381	203,706	236,219	241,195	245,136	300%	305%	322%	389%	399%	408%
Coweta	45,981	2,087,239	1,367,312	1,404,536	1,393,535	1,026,843	1,047,037	1,075,169	-34%	-33%	-33%	-51%	-50%	-48%
Crawford	5,746	127,742	57,908	62,422	63,263	42,442	54,947	57,286	-55%	-51%	-50%	-67%	-57%	-55%
Crisp	10,125	99,017	90,520	123,255	131,526	79,339	110,152	117,513	-9%	24%	33%	-20%	11%	19%
Dade	6,456	75,741	129,217	137,230	164,175	121,910	128,247	156,610	71%	81%	117%	61%	69%	107%
Dawson	9,855	314,634	257,479	258,453	277,906	198,073	201,617	223,642	-18%	-18%	-12%	-37%	-36%	-29%
Decatur	13,631	98,161	97,936	113,854	127,949	90,040	102,018	114,801	0%	16%	30%	-8%	4%	17%
DeKalb	306,106	18,545,013	18,924,466	20,038,183	19,622,851	18,545,013	19,276,252	18,818,411	2%	8%	6%	0%	4%	1%
Dodge	8,470	63,103	72,786	65,773	72,577	62,493	63,613	69,936	15%	4%	15%	-1%	1%	11%
Dooly	4,571	88,099	48,189	64,153	73,711	57,524	86,602	97,488	-45%	-27%	-16%	-35%	-2%	11%
Dougherty	41,607	785,595	1,108,976	1,021,956	1,178,383	945,970	875,192	1,038,387	41%	30%	50%	20%	11%	32%
Douglas	48,516	3,744,262	3,334,221	3,483,823	3,501,837	3,282,835	3,413,476	3,444,996	-11%	-7%	-6%	-12%	-9%	-8%
Early	5,487	51,451	25,891	53,342	55,675	23,946	64,254	66,212	-50%	4%	8%	-53%	25%	29%
Echols	1,521	43,189	6,380	6,750	5,853	9,692	10,426	8,710	-85%	-84%	-86%	-78%	-76%	-80%
Effingham	18,865	530,202	580,416	468,952	546,285	471,319	377,763	457,499	9%	-12%	3%	-11%	-29%	-14%

Appendix 5. Listing of County Allocations Under Various Formula Alternatives.

County	No. of housing units	DCA	Formula 1	Formula 2	Formula 3	Formula 4	Formula 5	Formula 6	Alternative Change in Funding Relative to DCA Proposed Grant					
									Form 1	Form 2	Form 3	Form 4	Form 5	Form 6
Elbert	9,466	112,579	194,034	172,580	185,565	173,254	166,340	179,413	72%	53%	65%	54%	48%	59%
Emanuel	9,642	117,096	88,304	84,734	99,258	78,702	74,842	88,932	-25%	-28%	-15%	-33%	-36%	-24%
Evans	4,602	51,553	28,738	38,976	46,609	24,749	32,713	39,855	-44%	-24%	-10%	-52%	-37%	-23%
Fannin	17,104	91,066	113,376	163,085	175,538	51,117	135,266	143,228	24%	79%	93%	-44%	49%	57%
Fayette	38,946	1,158,086	658,735	722,649	737,737	465,185	492,428	511,827	-43%	-38%	-36%	-60%	-57%	-56%
Floyd	39,903	266,567	848,596	858,279	931,720	732,572	740,861	812,918	218%	222%	250%	175%	178%	205%
Forsyth	60,140	1,871,950	739,795	819,415	790,178	434,218	467,926	448,483	-60%	-56%	-58%	-77%	-75%	-76%
Franklin	9,549	230,072	177,867	208,175	211,134	139,843	173,436	178,559	-23%	-10%	-8%	-39%	-25%	-22%
Fulton	431,601	30,546,480	31,683,448	28,728,601	26,034,667	34,861,949	31,924,178	28,511,345	4%	-6%	-15%	14%	5%	-7%
Gilmer	16,354	401,717	251,042	279,396	277,596	156,661	200,541	197,887	-38%	-30%	-31%	-61%	-50%	-51%
Glascock	1,215	70,497	9,627	20,526	22,260	10,418	30,573	32,295	-86%	-71%	-68%	-85%	-57%	-54%
Glynn	38,169	232,439	239,815	240,865	267,856	160,733	159,999	185,975	3%	4%	15%	-31%	-31%	-20%
Gordon	20,919	496,263	658,523	649,145	749,944	610,569	599,744	720,441	33%	31%	51%	23%	21%	45%
Grady	10,530	74,410	67,384	84,930	89,625	61,703	74,582	78,380	-9%	14%	20%	-17%	0%	5%
Greene	8,112	51,013	100,459	91,181	101,361	70,961	67,954	77,809	97%	79%	99%	39%	33%	53%
Gwinnett	283,669	13,512,054	10,844,370	11,260,936	10,834,525	10,507,827	10,507,827	10,507,827	-20%	-17%	-20%	-22%	-22%	-22%
Habersham	17,598	407,469	233,332	289,112	293,439	171,925	218,167	224,747	-43%	-29%	-28%	-58%	-46%	-45%
Hall	62,798	2,223,422	1,395,448	1,566,250	1,550,656	1,102,362	1,198,631	1,210,091	-37%	-30%	-30%	-50%	-46%	-46%
Hancock	4,658	34,701	68,774	79,255	91,314	69,062	78,422	94,093	98%	128%	163%	99%	126%	171%
Haralson	12,037	426,449	372,424	376,458	394,730	311,186	312,141	335,438	-13%	-12%	-7%	-27%	-27%	-21%
Harris	12,952	75,770	133,583	147,801	170,513	103,609	108,861	131,960	76%	95%	125%	37%	44%	74%
Hart	12,021	108,252	91,821	112,567	123,507	74,014	87,842	98,874	-15%	4%	14%	-32%	-19%	-9%
Heard	4,864	158,624	144,787	153,756	157,129	156,685	165,713	167,426	-9%	-3%	-1%	-1%	4%	6%
Henry	71,280	6,143,996	5,684,702	5,894,538	5,877,242	5,939,323	6,194,981	6,126,752	-7%	-4%	-4%	-3%	1%	0%
Houston	56,581	610,040	967,855	822,133	910,197	773,006	741,888	838,878	59%	35%	49%	27%	22%	38%
Irwin	4,192	101,419	33,079	40,017	46,756	36,865	42,584	51,629	-67%	-61%	-54%	-64%	-58%	-49%
Jackson	23,572	708,290	884,365	957,329	994,650	745,519	792,900	836,069	25%	35%	40%	5%	12%	18%
Jasper	6,114	267,474	221,457	231,904	239,580	193,689	200,024	208,907	-17%	-13%	-10%	-28%	-25%	-22%
Jeff Davis	5,637	84,649	77,150	98,413	116,615	88,090	114,253	135,811	-9%	16%	38%	4%	35%	60%
Jefferson	7,394	69,963	66,934	54,203	70,473	70,975	59,728	80,075	-4%	-23%	1%	1%	-15%	14%
Jenkins	3,957	69,769	29,215	24,504	30,138	27,321	22,953	29,059	-58%	-65%	-57%	-61%	-67%	-58%
Johnson	3,654	45,740	18,829	28,562	32,877	17,432	25,781	30,368	-59%	-38%	-28%	-62%	-44%	-34%
Jones	11,070	130,299	110,263	111,506	136,255	90,563	87,227	111,191	-15%	-14%	5%	-30%	-33%	-15%
Lamar	7,248	98,176	255,547	267,220	283,093	292,346	302,502	317,161	160%	172%	188%	198%	208%	223%
Lanier	3,400	44,409	22,361	35,264	40,060	19,022	36,044	40,585	-50%	-21%	-10%	-57%	-19%	-9%
Laurens	20,154	133,299	390,340	313,546	381,905	377,364	307,056	381,877	193%	135%	187%	183%	130%	186%
Lee	11,700	71,442	159,513	129,241	156,752	133,500	109,473	136,172	123%	81%	119%	87%	53%	91%
Liberty	24,111	137,192	379,265	374,656	476,920	323,026	317,333	413,533	176%	173%	248%	135%	131%	201%
Lincoln	4,776	46,222	21,140	25,803	29,543	13,859	15,197	18,554	-54%	-44%	-36%	-70%	-67%	-60%
Long	4,320	54,762	71,168	71,617	78,204	61,735	61,793	68,225	30%	31%	43%	13%	13%	25%
Lowndes	43,135	181,670	445,778	559,998	663,543	362,318	439,522	539,138	145%	208%	265%	99%	142%	197%
Lumpkin	11,101	284,528	134,989	134,064	144,711	90,976	87,570	100,847	-53%	-53%	-49%	-68%	-69%	-65%
Macon	5,647	78,646	46,134	38,233	46,204	39,162	33,336	41,259	-41%	-51%	-41%	-50%	-58%	-48%
Madison	11,713	150,360	354,119	288,599	326,117	309,862	253,077	289,346	136%	92%	117%	106%	68%	92%
Marion	3,195	81,636	51,772	49,351	55,720	54,002	55,484	64,779	-37%	-40%	-32%	-34%	-32%	-21%
McDuffie	9,301	307,940	233,858	233,121	272,061	248,308	249,214	313,830	-24%	-24%	-12%	-19%	-19%	2%
McIntosh	6,711	42,612	76,034	85,219	95,040	66,829	73,591	82,723	78%	100%	123%	57%	73%	94%
Meriwether	10,370	134,010	280,091	282,485	296,255	280,972	281,765	294,376	109%	111%	121%	110%	110%	120%
Miller	2,804	59,500	22,127	32,645	31,260	24,694	34,029	32,259	-63%	-45%	-47%	-58%	-43%	-46%
Mitchell	9,334	251,882	222,793	228,409	242,800	256,123	251,073	280,979	-12%	-9%	-4%	2%	0%	12%
Monroe	10,062	108,833	189,758	193,996	224,659	167,358	170,878	198,848	74%	78%	106%	54%	57%	83%

Appendix 5. Listing of County Allocations Under Various Formula Alternatives.

									Alternative Change in Funding Relative to DCA Proposed Grant					
County	No. of housing units	DCA	Formula 1	Formula 2	Formula 3	Formula 4	Formula 5	Formula 6	Form 1	Form 2	Form 3	Form 4	Form 5	Form 6
Montgomery	3,786	61,662	27,204	24,128	30,983	27,371	24,446	32,248	-56%	-61%	-50%	-56%	-60%	-48%
Morgan	7,550	77,626	120,367	127,900	157,490	99,750	100,616	129,074	55%	65%	103%	29%	30%	66%
Murray	16,032	101,745	346,830	339,142	394,454	328,708	319,183	381,894	241%	233%	288%	223%	214%	275%
Muscogee	83,031	3,117,039	3,117,039	3,117,039	3,117,039	3,117,039	3,117,039	3,117,039	0%	0%	0%	0%	0%	0%
Newton	36,964	2,133,534	2,462,521	2,542,718	2,583,155	2,678,218	2,732,114	2,825,965	15%	19%	21%	26%	28%	32%
Oconee	12,496	110,615	124,610	134,396	151,228	60,826	61,475	73,609	13%	21%	37%	-45%	-44%	-33%
Oglethorpe	6,213	88,617	22,337	21,101	25,616	17,092	15,440	19,353	-75%	-76%	-71%	-81%	-83%	-78%
Paulding	50,328	2,508,061	1,976,341	2,089,689	2,074,201	1,577,157	1,635,602	1,667,381	-21%	-17%	-17%	-37%	-35%	-34%
Peach	10,641	181,486	407,789	435,290	471,207	353,925	375,830	412,313	125%	140%	160%	95%	107%	127%
Pickens	13,796	317,059	232,735	260,831	267,847	178,476	191,049	198,743	-27%	-18%	-16%	-44%	-40%	-37%
Pierce	7,550	70,044	84,250	114,179	131,332	77,318	109,237	127,541	20%	63%	87%	10%	56%	82%
Pike	6,730	150,796	194,541	193,984	208,647	167,084	165,050	180,583	29%	29%	38%	11%	9%	20%
Polk	16,923	543,741	755,541	781,241	814,126	775,303	795,068	831,796	39%	44%	50%	43%	46%	53%
Pulaski	4,230	56,855	49,568	58,636	68,282	43,081	50,605	60,134	-13%	3%	20%	-24%	-11%	6%
Putnam	12,301	88,600	131,500	164,227	177,197	96,513	134,801	147,718	48%	85%	100%	9%	52%	67%
Quitman	1,816	44,905	6,930	14,317	15,447	7,222	18,019	18,962	-85%	-68%	-66%	-84%	-60%	-58%
Rabun	12,710	95,908	63,390	93,973	99,101	26,936	65,059	68,844	-34%	-2%	3%	-72%	-32%	-28%
Randloph	3,400	17,357	34,480	43,027	47,083	51,966	58,919	66,986	99%	148%	171%	199%	239%	286%
Richmond	86,890	2,496,103	3,613,671	3,301,334	3,645,733	3,542,262	3,291,570	3,727,489	45%	32%	46%	42%	32%	49%
Rockdale	31,166	2,654,539	2,178,966	2,306,612	2,280,003	2,253,672	2,378,240	2,342,125	-18%	-13%	-14%	-15%	-10%	-12%
Schley	1,645	18,046	17,090	20,863	20,029	16,220	19,675	18,520	-5%	16%	11%	-10%	9%	3%
Screven	7,117	62,061	73,221	63,227	80,647	89,159	77,681	101,629	18%	2%	30%	44%	25%	64%
Seminole	4,912	77,055	26,455	35,444	34,857	16,064	21,143	21,347	-66%	-54%	-55%	-79%	-73%	-72%
Spalding	26,284	1,450,408	1,801,428	1,588,895	1,611,110	1,540,452	1,362,843	1,407,824	24%	10%	11%	6%	-6%	-3%
Stephens	12,381	235,317	203,041	265,625	271,142	157,085	246,768	254,745	-14%	13%	15%	-33%	5%	8%
Stewart	2,352	34,012	9,187	16,064	18,911	8,602	18,806	21,344	-73%	-53%	-44%	-75%	-45%	-37%
Sumter	14,227	97,518	123,916	122,926	142,802	104,112	102,555	121,643	27%	26%	46%	7%	5%	25%
Talbot	3,078	100,135	48,004	42,548	45,172	38,724	35,079	38,245	-52%	-58%	-55%	-61%	-65%	-62%
Taliaferro	1,109	10,567	9,613	11,616	10,724	12,884	14,578	13,134	-9%	10%	1%	22%	38%	24%
Tattnall	8,839	85,681	68,705	114,372	128,213	57,650	133,570	146,269	-20%	33%	50%	-33%	56%	71%
Taylor	4,197	46,052	49,312	51,210	52,610	53,060	65,730	66,730	7%	11%	14%	15%	43%	45%
Telfair	5,131	90,427	80,974	88,547	95,587	105,327	115,170	126,422	-10%	-2%	6%	16%	27%	40%
Terrell	4,688	78,462	41,777	59,991	67,203	43,674	68,487	77,371	-47%	-24%	-14%	-44%	-13%	-1%
Thomas	20,042	141,193	176,697	190,822	213,283	139,742	151,909	173,747	25%	35%	51%	-1%	8%	23%
Tift	16,252	87,180	290,945	244,317	278,521	259,601	220,193	254,099	234%	180%	219%	198%	153%	191%
Toombs	11,838	91,741	108,428	161,681	176,990	93,872	156,042	169,840	18%	76%	93%	2%	70%	85%
Towns	8,303	73,435	45,232	102,076	106,831	16,722	140,156	142,690	-38%	39%	45%	-77%	91%	94%
Treutlen	2,878	24,098	11,840	21,621	23,798	10,432	19,760	21,744	-51%	-10%	-1%	-57%	-18%	-10%
Troup	26,955	263,109	741,864	822,865	926,959	653,572	718,767	816,267	182%	213%	252%	148%	173%	210%
Turner	3,971	55,757	36,909	35,906	46,297	39,833	37,213	50,003	-34%	-36%	-17%	-29%	-33%	-10%
Twiggs	4,434	71,130	95,318	82,352	93,716	110,314	93,843	114,382	34%	16%	32%	55%	32%	61%
Union	13,373	108,286	103,703	187,221	195,610	43,799	206,815	211,424	-4%	73%	81%	-60%	91%	95%
Upson	12,310	90,357	229,724	258,586	283,265	255,344	273,596	309,869	154%	186%	213%	183%	203%	243%
Walker	28,456	311,733	1,291,569	1,261,998	1,468,276	1,525,215	1,472,152	1,770,276	314%	305%	371%	389%	372%	468%
Walton	31,809	1,479,296	1,577,019	1,610,338	1,638,948	1,309,322	1,334,771	1,384,470	7%	9%	11%	-11%	-10%	-6%
Ware	16,439	133,674	251,157	316,294	353,521	232,974	318,924	358,507	88%	137%	164%	74%	139%	168%
Warren	2,792	64,455	16,215	15,395	21,048	16,876	16,326	22,997	-75%	-76%	-67%	-74%	-75%	-64%
Washington	8,537	72,860	116,382	114,256	131,973	124,028	124,752	147,514	60%	57%	81%	70%	71%	102%
Wayne	11,026	102,429	177,308	229,657	249,296	152,560	230,478	248,577	73%	124%	143%	49%	125%	143%
Webster	1,132	53,785	1,079	7,467	7,672	992	14,677	14,822	-98%	-86%	-86%	-98%	-73%	-72%
Wheeler	2,480	61,675	13,245	26,897	29,284	17,811	47,964	50,107	-79%	-56%	-53%	-71%	-22%	-19%

Appendix 5. Listing of County Allocations Under Various Formula Alternatives.

County	No. of housing units	DCA	Formula 1	Formula 2	Formula 3	Formula 4	Formula 5	Formula 6	Alternative Change in Funding Relative to DCA Proposed Grant					
									Form 1	Form 2	Form 3	Form 4	Form 5	Form 6
White	11,906	302,512	188,093	224,001	229,117	126,862	181,725	189,087	-38%	-26%	-24%	-58%	-40%	-37%
Whitfield	35,167	303,947	1,062,883	891,147	994,063	921,732	778,086	877,798	250%	193%	227%	203%	156%	189%
Wilcox	3,377	103,735	26,116	29,868	30,950	21,184	28,642	29,776	-75%	-71%	-70%	-80%	-72%	-71%
Wilkes	5,172	70,648	66,923	74,676	89,939	82,754	87,613	109,743	-5%	6%	27%	17%	24%	55%
Wilkinson	4,536	75,116	91,235	93,821	104,064	96,081	97,321	111,259	21%	25%	39%	28%	30%	48%
Worth	9,427	61,583	90,283	87,472	109,132	84,488	82,108	103,538	47%	42%	77%	37%	33%	68%

Appendix 6. Listing of Formula Elements by County.

County	Notice of Trustees' Sale	NTS as % of housing units	No. of subprime loans	Percent of loans subprime	No. of foreclosures	Percent of loans foreclosed	No. of delinquent loans	Percent of loans delinquent	No. of REOs--RealtyTrac	REOs as % of housing units	No. of REOs--McDash	REOs as % of loans	No. of vacancies in high subprime zip codes	Percent vacant in hi-subprime zip codes	Composite Needs Index
Appling	18	0.002	143	0.145	49	0.050	86	0.087	0	0.000000	13	0.013	994	0.131	-0.04
Atkinson	3	0.001	49	0.224	19	0.087	26	0.119	0	0.000000	4	0.018	24	0.023	0.18
Bacon	12	0.003	48	0.082	20	0.034	51	0.087	0	0.000000	0	0.000	457	0.113	-0.38
Baker	0	0.000	16	0.242	0	0.000	7	0.106	0	0.000000	0	0.000	2	0.003	-0.39
Baldwin	81	0.004	830	0.125	280	0.042	624	0.094	3	0.000157	101	0.015	1,550	0.080	-0.01
Banks	52	0.008	327	0.102	67	0.021	291	0.091	14	0.002068	40	0.012	381	0.056	-0.31
Barrow	544	0.021	3,264	0.130	826	0.033	2,746	0.110	228	0.008925	404	0.016	1,007	0.038	0.39
Bartow	547	0.015	2,075	0.111	600	0.032	1,863	0.100	192	0.005189	204	0.011	0	0.000	-0.02
BenHill	67	0.008	335	0.196	124	0.073	210	0.123	26	0.003275	21	0.012	384	0.050	0.20
Berrien	18	0.002	229	0.108	72	0.034	145	0.068	2	0.000266	24	0.011	604	0.081	-0.32
Bibb	1,029	0.014	6,615	0.185	1,548	0.043	3,987	0.111	797	0.011136	587	0.016	5,351	0.128	1.28
Bleckley	2	0.000	137	0.099	43	0.031	116	0.084	0	0.000000	12	0.009	400	0.079	-0.36
Brantley	1	0.000	121	0.108	56	0.050	135	0.121	0	0.000000	13	0.012	687	0.120	-0.06
Brooks	3	0.000	174	0.149	26	0.022	122	0.105	0	0.000000	7	0.006	575	0.117	-0.22
Bryan	91	0.008	774	0.066	232	0.020	693	0.059	1	0.000084	71	0.006	537	0.044	-0.49
Bulloch	56	0.002	769	0.096	256	0.032	602	0.075	3	0.000112	27	0.003	47	0.055	-0.41
Burke	41	0.004	308	0.175	80	0.045	217	0.123	0	0.000000	25	0.014	137	0.084	0.01
Butts	37	0.004	1,134	0.147	296	0.038	917	0.119	18	0.001947	147	0.019	43	0.066	0.03
Calhoun	1	0.000	38	0.187	7	0.034	10	0.049	8	0.003414	0	0.000	25	0.044	-0.39
Camden	123	0.006	1,235	0.087	278	0.020	1,002	0.071	3	0.000144	49	0.003	0	0.000	-0.51
Candler	1	0.000	137	0.164	52	0.062	78	0.093	1	0.000252	7	0.008	0	0.000	-0.21
Carroll	848	0.019	3,904	0.142	956	0.035	3,338	0.122	493	0.010862	582	0.021	297	0.049	0.61
Catoosa	231	0.009	1,609	0.130	487	0.039	1,116	0.090	77	0.002957	109	0.009	116	0.037	-0.09
Charlton	12	0.003	140	0.165	43	0.051	93	0.110	4	0.000984	19	0.022	271	0.084	0.03
Chatham	1,082	0.010	5,076	0.098	1,462	0.028	3,640	0.071	289	0.002552	253	0.005	1,341	0.073	0.23
Chattahoochee	4	0.001	53	0.188	24	0.085	44	0.156	4	0.001192	3	0.011	50	0.070	0.23
Chattooga	85	0.008	564	0.145	194	0.050	520	0.133	4	0.000367	70	0.018	663	0.060	0.09
Cherokee	1,323	0.017	4,058	0.072	985	0.018	3,481	0.062	583	0.007387	432	0.008	0	0.000	0.04
Clarke	339	0.007	1,680	0.077	392	0.018	1,264	0.058	18	0.000360	173	0.008	0	0.000	-0.47
Clay	0	0.000	4	0.047	0	0.000	4	0.047	0	0.000000	0	0.000	66	0.107	-0.76
Clayton	3,466	0.033	9,912	0.230	2,587	0.060	7,341	0.170	2,062	0.019457	1,521	0.035	4,666	0.061	2.58
Clinch	5	0.002	123	0.321	24	0.063	51	0.133	0	0.000000	0	0.000	242	0.096	0.27
Cobb	4,657	0.017	13,274	0.085	2,985	0.019	9,943	0.064	1,698	0.006107	1,337	0.009	1,137	0.062	1.42
Coffee	85	0.005	716	0.252	253	0.089	402	0.141	3	0.000180	57	0.020	1,461	0.094	0.59
Colquitt	91	0.005	606	0.153	128	0.032	352	0.089	0	0.000000	18	0.005	68	0.042	-0.29
Columbia	357	0.008	1,875	0.061	603	0.020	1,560	0.051	100	0.002331	89	0.003	1,401	0.029	-0.35
Cook	6	0.001	327	0.196	87	0.052	194	0.116	0	0.000000	50	0.030	492	0.095	0.19
Coweta	806	0.018	2,482	0.085	656	0.022	2,263	0.078	390	0.008482	231	0.008	0	0.000	-0.06
Crawford	33	0.006	70	0.106	16	0.024	80	0.121	12	0.002088	11	0.017	218	0.114	-0.15
Crisp	40	0.004	216	0.159	42	0.031	141	0.104	0	0.000000	18	0.013	714	0.075	-0.13
Dade	44	0.007	360	0.146	119	0.048	266	0.108	1	0.000155	24	0.010	173	0.049	-0.12
Dawson	85	0.009	646	0.075	170	0.020	643	0.075	41	0.004160	62	0.007	733	0.071	-0.33
Decatur	52	0.004	337	0.171	62	0.032	204	0.104	0	0.000000	20	0.010	300	0.049	-0.18
DeKalb	7,394	0.024	23,555	0.158	5,763	0.039	16,225	0.109	3,721	0.012156	3,206	0.022	7,194	0.055	3.88
Dodge	19	0.002	207	0.145	48	0.034	106	0.074	1	0.000118	16	0.011	68	0.192	-0.14
Dooly	9	0.002	152	0.230	37	0.056	78	0.118	0	0.000000	2	0.003	366	0.125	0.10
Dougherty	220	0.005	2,843	0.160	741	0.042	1,759	0.099	126	0.003028	94	0.005	1,660	0.073	0.19
Douglas	1,387	0.029	4,632	0.165	1,142	0.041	3,670	0.131	688	0.014181	492	0.018	976	0.038	0.88
Early	5	0.001	106	0.174	10	0.016	49	0.081	0	0.000000	4	0.007	464	0.113	-0.28

Appendix 6. Listing of Formula Elements by County.

County	Notice of Trustees' Sale	NTS as % of housing units	No. of subprime loans	Percent of loans subprime	No. of foreclosures	Percent of loans foreclosed	No. of delinquent loans	Percent of loans delinquent	No. of REOs--RealtyTrac	REOs as % of housing units	No. of REOs--McDash	REOs as % of loans	No. of vacancies in high subprime zip codes	Percent vacant in hi-subprime zip codes	Composite Needs Index
Echols	1	0.001	8	0.118	0	0.000	5	0.074	1	0.000657	3	0.044	0	0.000	-0.39
Effingham	133	0.007	1,365	0.100	425	0.031	1,263	0.093	83	0.004400	82	0.006	81	0.089	-0.14
Elbert	81	0.009	378	0.170	89	0.040	230	0.104	4	0.000423	38	0.017	159	0.160	0.07
Emanuel	31	0.003	222	0.122	60	0.033	219	0.120	0	0.000000	22	0.012	0	0.000	-0.30
Evans	5	0.001	103	0.112	32	0.035	87	0.095	0	0.000000	3	0.003	202	0.053	-0.38
Fannin	68	0.004	349	0.042	94	0.011	334	0.040	2	0.000117	30	0.004	1,034	0.108	-0.59
Fayette	594	0.015	1,586	0.064	453	0.018	1,297	0.052	183	0.004699	184	0.007	776	0.020	-0.30
Floyd	382	0.010	1,919	0.115	585	0.035	1,528	0.091	13	0.000326	259	0.016	0	0.000	-0.11
Forsyth	619	0.010	1,580	0.052	289	0.010	1,254	0.041	348	0.005786	131	0.004	914	0.020	-0.41
Franklin	61	0.006	389	0.112	84	0.024	259	0.075	29	0.003037	45	0.013	852	0.078	-0.25
Fulton	11,517	0.027	23,615	0.105	5,687	0.025	15,432	0.069	6,822	0.015806	5,674	0.025	14,800	0.093	5.29
Gilmer	145	0.009	441	0.048	133	0.014	368	0.040	65	0.003975	81	0.009	965	0.081	-0.47
Glascock	2	0.002	34	0.180	3	0.016	26	0.138	0	0.000000	0	0.000	192	0.139	-0.14
Glynn	198	0.005	1,006	0.075	256	0.019	704	0.052	8	0.000210	76	0.006	0	0.000	-0.59
Gordon	210	0.010	1,283	0.123	513	0.049	1,287	0.123	81	0.003872	136	0.013	0	0.000	0.03
Grady	42	0.004	300	0.172	30	0.017	133	0.076	0	0.000000	17	0.010	289	0.047	-0.34
Greene	11	0.001	328	0.064	103	0.020	268	0.053	1	0.000123	34	0.007	135	0.092	-0.55
Gwinnett	5,802	0.020	15,905	0.097	3,758	0.023	13,065	0.079	2,808	0.009899	1,976	0.012	384	0.026	2.08
Habersham	127	0.007	697	0.082	112	0.013	580	0.068	67	0.003807	77	0.009	945	0.058	-0.37
Hall	978	0.016	2,837	0.091	658	0.021	2,280	0.073	404	0.006433	337	0.011	2,251	0.034	0.15
Hancock	2	0.000	134	0.121	64	0.058	134	0.121	1	0.000215	17	0.015	202	0.057	-0.09
Haralson	23	0.002	683	0.135	180	0.036	595	0.118	76	0.006314	80	0.016	48	0.047	-0.05
Harris	64	0.005	527	0.077	175	0.026	426	0.062	1	0.000077	40	0.006	259	0.031	-0.51
Hart	60	0.005	325	0.095	75	0.022	268	0.078	3	0.000250	29	0.008	393	0.047	-0.43
Heard	4	0.001	251	0.180	68	0.049	154	0.110	18	0.003701	39	0.028	228	0.062	0.10
Henry	2,473	0.035	6,579	0.136	2,001	0.041	5,993	0.124	1,149	0.016120	963	0.020	633	0.046	1.31
Houston	602	0.011	2,875	0.098	696	0.024	2,102	0.071	65	0.001149	210	0.007	430	0.313	0.21
Irwin	17	0.004	88	0.190	31	0.067	50	0.108	0	0.000000	3	0.006	172	0.067	0.00
Jackson	328	0.014	1,892	0.090	587	0.028	1,704	0.081	104	0.004412	302	0.014	1,049	0.041	-0.02
Jasper	82	0.013	334	0.134	102	0.041	286	0.115	36	0.005888	51	0.021	111	0.026	-0.01
Jeff Davis	20	0.004	207	0.180	67	0.058	150	0.130	0	0.000000	0	0.000	542	0.095	0.02
Jefferson	19	0.003	114	0.102	61	0.054	161	0.143	0	0.000000	7	0.006	42	0.169	0.00
Jenkins	9	0.002	66	0.147	21	0.047	57	0.127	0	0.000000	3	0.007	21	0.089	-0.11
Johnson	3	0.001	63	0.124	24	0.047	38	0.075	0	0.000000	4	0.008	166	0.056	-0.33
Jones	79	0.007	292	0.080	116	0.032	340	0.094	1	0.000090	23	0.006	105	0.020	-0.42
Lamar	47	0.006	504	0.192	121	0.046	369	0.140	3	0.000414	70	0.027	310	0.061	0.19
Lanier	0	0.000	79	0.086	26	0.028	68	0.074	0	0.000000	3	0.003	255	0.098	-0.46
Laurens	25	0.001	794	0.131	307	0.050	697	0.115	1	0.000050	70	0.012	34	0.125	0.00
Lee	50	0.004	611	0.100	146	0.024	471	0.077	0	0.000000	16	0.003	54	0.121	-0.37
Liberty	142	0.006	1,568	0.094	540	0.032	1,222	0.073	0	0.000000	35	0.002	52	0.056	-0.33
Lincoln	22	0.005	89	0.062	23	0.016	88	0.061	0	0.000000	4	0.003	93	0.029	-0.67
Long	6	0.001	122	0.095	50	0.039	131	0.102	0	0.000000	23	0.018	6	0.003	-0.34
Lowndes	178	0.004	1,951	0.091	631	0.030	1,412	0.066	3	0.000070	68	0.003	2,080	0.047	-0.21
Lumpkin	70	0.006	444	0.072	106	0.017	415	0.067	42	0.003783	24	0.004	0	0.000	-0.58
Macon	11	0.002	98	0.123	33	0.041	89	0.111	2	0.000354	7	0.009	24	0.124	-0.16
Madison	119	0.010	649	0.106	199	0.032	662	0.108	6	0.000512	83	0.014	85	0.088	-0.13
Marion	22	0.007	95	0.166	38	0.066	61	0.106	0	0.000000	9	0.016	91	0.129	0.10
McDuffie	42	0.005	411	0.130	225	0.071	405	0.128	48	0.005161	37	0.012	0	0.000	0.02
McIntosh	9	0.001	222	0.106	69	0.033	172	0.082	0	0.000000	26	0.012	159	0.049	-0.36

Appendix 6. Listing of Formula Elements by County.

County	Notice of Trustees' Sale	NTS as % of housing units	No. of subprime loans	Percent of loans subprime	No. of foreclosures	Percent of loans foreclosed	No. of delinquent loans	Percent of loans delinquent	No. of REOs--RealtyTrac	REOs as % of housing units	No. of REOs--McDash	REOs as % of loans	No. of vacancies in high subprime zip codes	Percent vacant in hi-subprime zip codes	Composite Needs Index
Meriwether	131	0.013	527	0.159	107	0.032	439	0.133	0	0.000000	75	0.023	182	0.060	0.05
Miller	1	0.000	60	0.203	0	0.000	19	0.064	0	0.000000	7	0.024	196	0.075	-0.30
Mitchell	11	0.001	361	0.217	113	0.068	268	0.161	35	0.003750	37	0.022	578	0.070	0.40
Monroe	72	0.007	463	0.122	142	0.037	370	0.098	1	0.000099	38	0.010	530	0.069	-0.18
Montgomery	15	0.004	61	0.129	27	0.057	54	0.114	0	0.000000	0	0.000	39	0.078	-0.18
Morgan	48	0.006	341	0.087	143	0.036	346	0.088	2	0.000265	24	0.006	191	0.028	-0.39
Murray	35	0.002	736	0.129	262	0.046	733	0.128	4	0.000250	85	0.015	0	0.000	-0.12
Muscogee	682	0.008	5,388	0.137	1,491	0.038	3,654	0.093	432	0.005203	247	0.006	2,017	0.062	0.47
Newton	117	0.003	3,669	0.179	1,035	0.050	3,188	0.155	379	0.010253	553	0.027	606	0.032	0.73
Oconee	79	0.006	510	0.048	132	0.012	452	0.042	8	0.000640	33	0.003	204	0.018	-0.71
Oglethorpe	6	0.001	124	0.076	16	0.010	115	0.071	0	0.000000	3	0.002	8	0.031	-0.67
Paulding	888	0.018	2,654	0.132	631	0.031	2,398	0.120	443	0.008802	325	0.016	1,210	0.034	0.40
Peach	152	0.014	891	0.135	266	0.040	626	0.095	12	0.001128	108	0.016	345	0.050	-0.05
Pickens	127	0.009	710	0.075	139	0.015	608	0.064	46	0.003334	92	0.010	455	0.033	-0.44
Pierce	21	0.003	210	0.116	87	0.048	153	0.084	0	0.000000	13	0.007	652	0.082	-0.23
Pike	73	0.011	455	0.118	100	0.026	415	0.107	10	0.001486	57	0.015	47	0.035	-0.22
Polk	221	0.013	1,271	0.167	345	0.045	1,029	0.135	89	0.005259	188	0.025	250	0.034	0.28
Pulaski	6	0.001	170	0.133	31	0.024	149	0.116	1	0.000236	6	0.005	242	0.061	-0.30
Putnam	60	0.005	303	0.054	126	0.022	338	0.060	2	0.000163	46	0.008	820	0.082	-0.47
Quitman	0	0.000	30	0.180	3	0.018	17	0.102	0	0.000000	0	0.000	129	0.112	-0.28
Rabun	30	0.002	208	0.051	45	0.011	165	0.040	8	0.000629	14	0.003	610	0.084	-0.66
Randloph	0	0.000	68	0.265	22	0.086	47	0.183	0	0.000000	6	0.023	214	0.089	0.55
Richmond	1,059	0.012	6,265	0.168	1,916	0.051	4,612	0.124	489	0.005628	452	0.012	4,607	0.092	1.11
Rockdale	940	0.030	2,695	0.164	673	0.041	2,174	0.132	475	0.015241	337	0.020	968	0.047	0.70
Schley	2	0.001	33	0.106	8	0.026	16	0.051	0	0.000000	7	0.022	72	0.064	-0.42
Screven	3	0.000	173	0.168	65	0.063	157	0.153	0	0.000000	3	0.003	89	0.108	0.08
Seminole	0	0.000	109	0.131	11	0.013	34	0.041	12	0.002443	4	0.005	136	0.036	-0.59
Spalding	388	0.015	2,362	0.162	589	0.040	1,721	0.118	260	0.009892	264	0.018	1,130	0.076	0.45
Stephens	51	0.004	377	0.112	103	0.031	267	0.079	36	0.002908	48	0.014	1,371	0.099	-0.15
Stewart	0	0.000	23	0.086	10	0.038	28	0.105	0	0.000000	0	0.000	133	0.109	-0.35
Sumter	49	0.003	378	0.119	107	0.034	290	0.091	6	0.000422	31	0.010	4	0.011	-0.36
Talbot	4	0.001	93	0.119	23	0.029	78	0.100	6	0.001949	11	0.014	49	0.090	-0.24
Taliaferro	0	0.000	29	0.221	0	0.000	9	0.069	0	0.000000	4	0.031	26	0.035	-0.27
Tattnall	20	0.002	163	0.095	67	0.039	143	0.084	0	0.000000	13	0.008	848	0.121	-0.24
Taylor	4	0.001	101	0.196	14	0.027	66	0.128	0	0.000000	12	0.023	156	0.165	0.11
Telfair	13	0.003	156	0.249	39	0.062	109	0.174	1	0.000195	15	0.024	321	0.106	0.45
Terrell	31	0.007	88	0.176	31	0.062	60	0.120	0	0.000000	5	0.010	375	0.102	0.08
Thomas	124	0.006	820	0.128	170	0.027	363	0.057	3	0.000150	32	0.005	162	0.058	-0.40
Tift	79	0.005	620	0.140	190	0.043	432	0.097	0	0.000000	60	0.014	69	0.102	-0.09
Toombs	17	0.001	229	0.103	86	0.039	192	0.086	1	0.000084	27	0.012	1,052	0.088	-0.22
Towns	5	0.001	119	0.026	30	0.007	161	0.036	1	0.000120	16	0.004	958	0.157	-0.64
Treutlen	0	0.000	29	0.083	11	0.031	31	0.088	0	0.000000	3	0.009	178	0.077	-0.41
Troup	259	0.010	1,823	0.131	538	0.039	1,446	0.104	10	0.000371	190	0.014	1,495	0.054	0.09
Turner	6	0.002	97	0.137	35	0.050	109	0.154	0	0.000000	3	0.004	24	0.039	-0.12
Twiggs	5	0.001	141	0.160	65	0.074	137	0.155	2	0.000451	17	0.019	68	0.074	0.20
Union	50	0.004	359	0.046	64	0.008	281	0.036	4	0.000299	31	0.004	1,486	0.136	-0.55
Upson	44	0.004	415	0.164	150	0.059	386	0.152	3	0.000244	58	0.023	512	0.045	0.19
Walker	368	0.013	3,076	0.207	989	0.067	1,989	0.134	16	0.000562	199	0.013	1,803	0.066	0.60
Walton	717	0.023	2,503	0.114	694	0.032	2,216	0.101	254	0.007985	346	0.016	0	0.000	0.17

Appendix 6. Listing of Formula Elements by County.

County	Notice of Trustees' Sale	NTS as % of housing units	No. of subprime loans	Percent of loans subprime	No. of foreclosures	Percent of loans foreclosed	No. of delinquent loans	Percent of loans delinquent	No. of REOs--RealtyTrac	REOs as % of housing units	No. of REOs--McDash	REOs as % of loans	No. of vacancies in high subprime zip codes	Percent vacant in hi-subprime zip codes	Composite Needs Index
Ware	107	0.007	579	0.152	186	0.049	366	0.096	3	0.000182	41	0.011	1,575	0.094	0.03
Warren	1	0.000	42	0.099	24	0.056	46	0.108	1	0.000358	0	0.000	0	0.000	-0.37
Washington	8	0.001	254	0.176	87	0.060	170	0.118	1	0.000117	19	0.013	283	0.093	0.06
Wayne	38	0.003	379	0.109	121	0.035	312	0.090	2	0.000181	45	0.013	1,224	0.102	-0.16
Webster	0	0.000	8	0.091	0	0.000	5	0.057	0	0.000000	0	0.000	96	0.170	-0.57
Wheeler	0	0.000	55	0.264	7	0.034	25	0.120	0	0.000000	0	0.000	237	0.165	0.07
White	77	0.006	396	0.061	115	0.018	387	0.060	46	0.003864	51	0.008	978	0.094	-0.40
Whitfield	407	0.012	2,044	0.111	638	0.035	1,774	0.096	25	0.000711	249	0.014	343	0.092	0.05
Wilcox	9	0.003	52	0.146	13	0.037	28	0.079	1	0.000296	6	0.017	111	0.113	-0.18
Wilkes	12	0.002	144	0.168	53	0.062	150	0.175	1	0.000193	3	0.004	330	0.088	0.14
Wilkinson	2	0.000	194	0.174	57	0.051	164	0.147	1	0.000220	22	0.020	56	0.054	0.07
Worth	13	0.001	303	0.164	80	0.043	211	0.114	0	0.000000	8	0.004	3	0.006	-0.24

Georgia Affordable Housing Coalition, Inc.
PO Box 7511 Atlanta GA 30357 404 509 7177

October 31, 2008

Mr. Brian Williamson
Assistant Commissioner
Community Development and Finance Division
GA Department of Community Affairs
60 Executive Park South, NE
Atlanta, GA 30329

Dear Mr. Williamson:

The Georgia Affordable Housing Coalition is a trade association of developers, owners and managers of affordable housing. Our organization is primarily concerned with multifamily affordable housing developed in the state of Georgia using the low income housing tax credit program. Over 2500 units of rental housing is produced in the state under the 9% low income housing tax credit program annually; typically 80% of those units are reserved for families with incomes under 60% of Area Median Income (AMI), including a number of units reserved for families at 50% of AMI and 30% of AMI. Although production of units under the bond program has slowed somewhat over the past months, a significant number of units have been developed using tax-exempt bonds--which are issued along with 4% credits, and this financing method is and will continue to be employed by developers in some jurisdictions. The developers in our association are experienced in all aspects of the design, financing, building, and operation of high quality affordable housing, including ongoing compliance with federal and state regulations. As the major producers of affordable housing in Georgia, we are interested in working together with your agency to creatively design a plan that would allow funds from the Neighborhood Stabilization Program (NSP) to be used in the construction of rent-restricted multifamily housing developed in accordance with the requirements of the NSP.

It is our understanding that the goal of the NSP is to use the allocation to address foreclosed and abandoned homes and residential properties and neighborhoods, and that the funds must be used within 18 months. We recommend that the GA Department of Community Affairs consider 1) using some or all of your agency's allocation in conjunction with the low income housing tax credit program, and 2) that DCA consider allocating the funds in significant amounts ($3 million per project) so that there is a measurable impact on the projects. We believe that the tax credit program would provide the most efficient and effective mechanism for the deployment of these funds for the following reasons:

- Developers of low income housing tax credit projects have the experience and track record to produce high quality affordable rental housing and the ability to manage properties and programs in compliance with a variety of federal and state requirements
- The tax credit program produces a high volume of affordable housing on an annual basis, and assuming that the per-project amounts were consequential, the full DCA allocation would be utilized within the 18 month timeline
- The current "frozen" credit market makes these funds even more desirable to developers
- Units produced under the tax credit program are rent restricted and targeted to the income groups identified by the NSP and can meet the 120% of AMI requirement and in some cases, the 50% AMI, depending on the specific project

We anticipate that developers would select sites impacted by the recent foreclosure crisis, and would develop stand alone apartment communities, or develop a master plan for an impacted community. Funds from the NSP could be used in the acquisition of sites, the demolition of blighted and abandoned properties and new construction on site, the rehabilitation of existing foreclosed/abandoned properties, collateralization of bonds, predevelopment activities and soft costs associated with project development.

Representatives of the Coalition would be glad to meet with you at your convenience to explore this proposal. We feel very strongly that the tax credit program is the most efficient and effective way to utilize the NSP resource, and are looking forward to your response to this recommendation.

Please do not hesitate to contact me with any questions or need for additional information. I can be reached by telephone at 404 509 7177, or via email at mmercer@gahcoalition.org.

Thank you.

Yours truly

Maureen Mercer
Executive Director

cc: Carmen Chubb
Laurel Hart

Georgia Affordable Housing Coalition, Inc.
PO Box 7511 Atlanta GA 30357 404 509 7177

November 25, 2008

Mr. Brian Williamson
Assistant Commissioner
Community Development and Finance Division
GA Department of Community Affairs
60 Executive Park South, NE
Atlanta, GA 30329

Dear Mr. Williamson:

I wrote to you on 31 October regarding a recommendation from our organization for the expeditious use of the NSP funds which your agency will soon be administering. This letter should be considered an addendum to our earlier letter.

We understand that DCA is considering distributing its allocation around the State in fairly small increments to various city and county jurisdictions. We are concerned that a broad based distribution of small amounts will cause the State to forfeit the opportunity to correct and salvage significant properties. For instance, we have been advised by certain of our members which are banks of the vast amount of real estate owned (REO) they are holding including subdivisions and large buildings perhaps suitable for public use. Given the ever-expanding portfolios of REO that banks currently find themselves holding, the Coalition recommends that DCA "hold off" on any plans to immediately distribute the funds across the state, and allow the banks and the development community to design a program that would allow for larger more substantial redevelopment than would result from a number of smaller jurisdictions with lesser amounts of funds to allocate.

We are mindful of the requirement that DCA provide HUD with a plan by December 1, and suggest that DCA's plan provide more flexibility, such that the state-wide distribution is not automatic. Representatives of the Coalition would be glad to meet with you at your convenience to discuss our recommendation. Please do not hesitate to contact me with any questions or need for additional information. I can be reached by telephone at 404 509 7177, or via email at mmercer@gahcoalition.org.

Thank you.

Yours truly

Maureen Mercer
Executive Director

cc: Mike Beaty, Commissioner
Phil Foil, Deputy Commissioner
Carmen Chubb, Assistant Commissioner
Laurel Hart, Director, Office of Affordable Housing
Theresa Hill, Manager, Affordable Housing/HOME Loan Program

November 25, 2008

MEMORANDUM

TO: Neighborhood Stabilization Program (NSP) Coordinator
Georgia Department of Community Affairs
60 Executive Park South
Atlanta, GA 30329

FROM: Alice Hogan, Project Director
RL Grubbs, Researcher/Planner
Money Follows the Person Demonstration
Office of Long Term Care
Georgia Department of Community Health
2 Peachtree Street, 37th Floor
Atlanta, GA 30303

SUBJECT: Comments on the Neighborhood Stabilization Program (NSP) Proposed Substantial Amendment for the State of Georgia

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The Georgia Department of Community Health (DCH) recently began full implementation of the Money Follows the Person (MFP) five-year demonstration project to transition 1,312 eligible older adults, disabled veterans and people with disabilities from institutional settings to community settings. Georgians, who have lived in nursing homes or hospitals for people with mental retardation (ICF/MRs) for at least six months, receive Medicaid benefits for facility services and continue to meet institutional level of care, may be able to get community-based Medicaid waiver services and additional MFP one-time assistance to move into their own homes or apartments in the community. MFP is a joint effort between the Georgia Department of Community Health (DCH) and the Department of Human Resources (DHR). In addition, MFP links to existing work being carried on between Georgia and the HHS Office for Civil Rights (Voluntary Compliance Agreement, Olmstead v. L.C.). Under the Voluntary Compliance Agreement, 600 persons with disabilities will be transitioned form ICF/MRs and resettled in the community.

Increasing the availability of affordable, accessible and integrated housing is a key strategy in achieving these resettlement and deinstitutionalization goals. To this end, DCH and DHR have partnered with the Department of Community Affairs (DCA) in an effort to address the following housing problems: extremely low affordable rental vacancy rates, long waiting lists (and closed waiting lists) for scarce Section 8 rental subsidy vouchers and affordable, accessible and integrated housing stock shortages. These factors combine to create a severe shortage of affordable housing options for individuals who are leaving state institutions and who have lost their housing. The Neighborhood Stabilization

Program (NSP) appears to be an exceptional opportunity to create affordable, accessible and integrated housing for older adults, persons with disabilities, disabled veterans and others whose incomes are <15% to <30% Area Median Income (AMI). Georgia can use NSP funds to create new housing opportunities for these very low income groups by requiring developers to target development to these groups.

Considerations for Amendment Draft

- Include language/text in the NSP Amendment that creates a set-aside of affordable units by specifically targeting development to groups with the lowest incomes who rely on federal Supplemental Security Income (SSI) and Social Security Disability Income (SSDI) payments.
    - Further stratify the NSP requirements that target 25% of housing development to individuals and families at or below 50% AMI.
    - Further stratify this requirement to include 12.5% of housing development targeted to individuals and families at 30% of monthly SSI income. On average, 30% of SSI is 15% AMI. (Amendment Draft page 3, A (4)(b); page 8, 6(i); page 12, D Low Income Targeting; and all Activity section that follow).
    - For flexible pool NSP proposals, further stratify the LIHTC Program to include the requirement that 20% of funded units in a project must be rented to tenants at 50% AMI and 20% must be rented to tenants at 15% AMI (Amendment Draft page 9).
    - In the Permanent Supportive Housing Program, specify that 50% NSP funded units in a project will be rented to eligible Homeless *and/or Disabled* Tenants at incomes less than 50% of AMI (Amendment Draft, page 9).

- Use NSP to target new rental housing developments as Permanent Supportive Housing by requiring linkages with these developments to networks of voluntary supportive services that can be customized to the needs of the household.
    - Encourage NSP proposals from non-profits and non-profit ownership of NSP-financed developments. This strategy will help ensure long-term housing access for older adults, disabled veterans and people with disabilities.
    - Encourage proposals from jurisdictions and local entities that link NSP funding to a dedicated source of permanent rental subsidies (e.g. project-based Housing Choice Vouchers, McKinney-Vento Homeless Assistance rent or operating subsidies, Section 811 funding and other State financed rental subsidies targeting older adults, disabled veterans and people with disabilities). (Amendment Draft page 6, (a)(b)(c)(d)).

- Require developers of foreclosed and blighted housing stock targeted through NSP funds to include a mix of single family homes, condominiums and multi-family properties in their development proposals.

  - Don’t fund two and three-story walkup townhouses as these will not be able to be used by persons using mobility devices (i.e. walkers, crutches, manual and power wheelchairs and scooters).
  - Wherever possible, properties purchased through NSP for use as housing for older adults, disabled veterans and people with disabilities should have no debt or only limited debt to allow for long-term, deep affordability.

- Include language/text in the NSP Amendment that explains HUD’s regulations for Section 504 of the ’73 Rehabilitation Act as amended that requires that a minimum of 5% of housing units, receiving federal financial assistance (as is the case with NSP), must be accessible to persons with mobility disabilities and another 1% each, for persons with hearing and visual disabilities. The 5%1%1% minimum was established in 1988 and has never been revised or updated.
  - Based on the 2007 American Community Survey conducted by US Census, consider increasing these minimums to reflect growth in disability demographics among non-institutionalized Georgians. The 2007 American Community Survey-Georgia disability demographics data includes only non-institutionalized persons; it does not include any Georgian residing in a nursing home or in an intermediate care facility for the mental retarded, groups targeted for resettlement under MFP and the Olmstead OCR agreement.
  - HUD’s Comprehensive Housing Affordability Strategy (CHAS) 2000 Census data indicated that for families who are renters and whose family income is <=30% AMI, about 28 to 31% of these families have a member with a mobility and self-care impairment.

We very much appreciate the efforts that DCA is making to address the factors that have combined to create a severe shortage of affordable, accessible and integrated housing options for individuals who are leaving state institutions and who have lost their housing. The Neighborhood Stabilization Program (NSP) is an excellent opportunity to create affordable, accessible and integrated housing for older adults, disabled veterans and persons with disabilities, if DCA will include requirements for targeted developments for very-low income groups in the NSP Amendment.

Glenn Misner

From: ksl1@gstand.org

Sent: Tuesday, November 25, 2008 2:47 PM

To: NSP Substantial Amendment Comments

Subject: NSP Work Plan

After reading the proposed work plan for the Neighborhood Stabilization Program, G-STAND has three recommendations: 1. Use a different methodology for direct allocations to the entitlement areas that have experienced such a high foreclosure rate. Prorate 30 percent of the state's allocation, $23,125,537, to the nine jurisdictions that have received a direct allocation from HUD. We believe such a methodology would be consistent with HERA regulations by distributing funds based on the three categories contained therein. 2. As part of the rehabilitation standards that will apply to NSP assisted activities, require that all projects incorporate green building standards similar to the requirements set forth by the Office of Affordable Housing. Green building is especially important for lower-income homeowners and tenants with rising utility costs presenting g a quite challenge as families try to balance their budgets. Rising utility costs also mean that developers of rental projects may have to lower the amount in rents that they actually receive, since the rent ceiling includes utilities. As consumers become more knowledgeable, a unit's green building features should serve as a desired amenity and a significant selling point. The more such practices are seen as standard the more architects and contractors will include them and adapt to them. Additionally, as such practices become standard that should serve to bring down the cost of building materials associated with green building. Green building should be a win-win for everyone. 3. Extend the deadline for submission of applications from January 15th to February 13th to allow applicants to prepare thoughtful and feasible applications. While we do understand the 18-month timeframe for obligating funds, we believe that additional time for more upfront planning and analysis will result in better applications and allow the NSP to meet the intent of the legislation. Thank you in advance for your careful consideration of these comments and your efforts on behalf of all Georgians. Kate Little, President G-STAND

From: Richelle Patton [mailto:richellepatton@prihousing.org]
Sent: Friday, November 21, 2008 2:49 PM
To: nsp.sacomments
Subject: Comments to NSP Plan

Dear DCA Administrator of NSP funds,
Progressive Redevelopment, Inc. respectfully submits the following comments to the DCA Draft Plan:

1. We understand that the proposed income targeting requirement for combining Tax Credits and NSP funds will be at least 40% of a project's total units at 50% AMI or less. We would recommend that this be decreased to at 30% of the units at 50% AMI. We recognize that the federal requirement is that 25% of the funds be used for households earning 50% AMI and we believe a requirement of 30% of the units is a fair balance between DCA achieving it's requirement and not overburdening a project with too many very-low income households.
2. We understand that there is some question as to what type of appraisal will be required to be submitted to DCA, to reflect the 15% discount. We suggest that DCA look to an as-improved appraised value, since the purpose of purchasing the properties will be to rehabilitate/construct new.
3. We agree with the comments made at the public hearing that Dekalb and Clayton Counties should have a portion of the direct allocation from DCA, as these are 2 of the hardest-hit counties in the state for foreclosures.
4. In the draft 2009 QAP, 6 points are allocated for projects using the DCA allocation of NSP funds. We assume these points could be secured by EITHER using the Direct Allocation OR the Flexible Pool. We would ask that the QAP be clarified to confirm this.

Thank you for your consideration of our comments.

Richelle (Shelly) Patton
President
PRI Development Services, LLC
321 W. Hill St. Suite 3
Decatur, GA 30030
404.371.1230 x209 phone
404.371.1335 fax

3460 Preston Ridge Road
Suite 175
Alpharetta, GA 30005

November 29, 2008

NSP Coordinator
Georgia Department of Community Affairs
60 Executive Park South, N.E.
Atlanta, Georgia

RE: Neighborhood Stabilization Program Fund Allocation

I recently learned of the proposed funding allocation for the Neighbor Stabilization Program which is contained in the new amendment to the State of Georgia CDBG Program. As a resident of DeKalb County who has worked in the housing and community development field for over 25 years I was very surprised and disappointed to find out that the State's method for allocating these new resources does not include any funds for DeKalb. The methodology which produced this result needs to be changed to the methodology being proposed by the DeKalb County Community Development Department.

Given the empirical data there is little doubt of need for additional funds to address the housing problem in DeKalb County. Although the County's direct HUD allocation of $18 million sounds like a lot of money, at an average cost to purchase and rehabilitate a house of $100,000 there would only be enough to address 180 houses, which is a drop in the bucket. If that is all the County has to work with then it is unlikely that they will be able to address any of the vacant multifamily properties some of which have been at the core of the foreclosure and mortgage fraud mess and are threatening to bring down entire neighborhoods. I am personally aware of several old condominium and apartment properties that could probably use the entire amount.

Please reconsider the proposed NSP allocation for DeKalb and the other entitlement communities, so that more funds will be available for the purchase and renovation of vacant multifamily properties.

Sincerely,

Tom Gladis
The NuRock Companies

CERTIFICATIONS

(1) **Affirmatively furthering fair housing**. The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

(2) **Anti-lobbying**. The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(3) **Authority of Jurisdiction**. The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.

(4) **Consistency with Plan**. The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.

(5) **Acquisition and relocation**. The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP program published by HUD.

(6) **Section 3**. The jurisdiction will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(7) **Citizen Participation**. The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.

(8) **Following Plan**. The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

(9) **Use of funds in 18 months**. The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP Notice, all of its grant funds within 18 months of receipt of the grant.

(10) **Use NSP funds ≤ 120 of AMI**. The jurisdiction will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income.

(11) **Assessments.** The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by

assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive Force**. The jurisdiction certifies that it has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws**. The NSP grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures**. The activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

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

Signature/Authorized Official

12/1/08
Date

Commissioner
Title

NSP Substantial Amendment Checklist

For the purposes of expediting review, HUD asks that applicants submit the following checklist along with the NSP Substantial Amendment and SF-424.

Contents of an NSP Action Plan Substantial Amendment

Jurisdiction(s): State of Georgia *(submitted by the Georgia Department of Community Affairs))* Jurisdiction Web Address: www.dca.state.ga.us/communities/CDBG/index.asp *(URL where NSP Substantial Amendment materials are posted)*	NSP Contact Persons: Brian Williamson Glenn Misner Steed Robinson Address: Georgia Dept of Community Affairs 60 Executive Park South, NE Atlanta, Georgia 30329 Telephone: 404.679.4940 (Dept) 404.679.1587 (Brian's Direct) 404.679.3138 (Glenn's Direct) 404.679.3168 (Steed's Direct) Fax:404.697.1583 Email:NSP.admin@dca.state.ga.us

The elements in the substantial amendment required for the Neighborhood Stabilization Program are:

A. Areas of Greatest Need

Does the submission include summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction?

Yes☒ No☐. Verification found on page ___30__.

B. Distribution and Uses of Funds

Does the submission contain a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures?

Yes☒ No☐. Verification found on page _5__.

Note: The grantee's narrative must address the three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

C. Definitions and Descriptions

For the purposes of the NSP, do the narratives include:

- a definition of "blighted structure" in the context of state or local law,
  Yes☒ No☐. Verification found on page __13__.

- a definition of "affordable rents,"
  Yes☒ No☐. Verification found on page _13__.

- a description of how the grantee will ensure continued affordability for NSP assisted housing,
  Yes☒ No☐. Verification found on page _13__.

- a description of housing rehabilitation standards that will apply to NSP assisted activities?
  Yes☒ No☐. Verification found on page _13__.

D. INFORMATION BY ACTIVITY

Does the submission contain information by activity describing how the grantee will use the funds, identifying:

- eligible use of funds under NSP,
  Yes☒ No☐. Verification found on page _20__.

- correlated eligible activity under CDBG,
  Yes☒ No☐. Verification found on page _20__.

- the areas of greatest need addressed by the activity or activities,
  Yes☒ No☐. Verification found on page _20__.

- expected benefit to income-qualified persons or households or areas,
  Yes☒ No☐. Verification found on page __20_.

- appropriate performance measures for the activity,
  Yes☒ No☐. Verification found on page __20___.

- amount of funds budgeted for the activity,
  Yes☒ No☐. Verification found on page _21__.

- the name, location and contact information for the entity that will carry out the activity,
  Yes☒ No☐. Verification found on page _21___.

- expected start and end dates of the activity?
  Yes☒ No☐. Verification found on page __21__.

E. SPECIFIC ACTIVITY REQUIREMENTS

Does each activity narrative describe the general terms under which assistance will be provided, including:

<u>If the activity includes acquisition of real property</u>,

- the discount required for acquisition of foreclosed upon properties,
  Yes☒ No☐. Verification found on page ___21__.

<u>If the activity provides financing</u>,

- the range of interest rates (if any),
  Yes☐ No☐. Verification found on page __34__.

<u>If the activity provides housing,</u>

- duration or term of assistance,
  Yes☒ No☐. Verification found on page _27__.

- tenure of beneficiaries (e.g., rental or homeownership),
  Yes☒ No☐. Verification found on page _27__.

- does it ensure continued affordability?
  Yes☒ No☐. Verification found on page _27__.

- does the applicant indicate which activities will count toward the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
- Yes☒ No☐. Verification found on page ___20__.

F. LOW INCOME TARGETING

- Has the grantee described how it will meet the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
  Yes☒ No☐. Verification found on page __3__.

- Has the grantee identified how the estimated amount of funds appropriated or otherwise made available will be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50% of area median income?
  Yes☒ No☐. Verification found on page _14__.
  Amount budgeted = $19,271,281.25

G. DEMOLISHMENT OR CONVERSION OF LOW- AND MODERATE-INCOME UNITS

Does grantee plan to demolish or convert any low- and moderate-income dwelling units?
Yes☐ No☒. (If no, continue to next heading)
Verification found on page _____.

Does the substantial amendment include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities?
  Yes☐ No☐. Verification found on page _____.

- The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 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)?
  Yes☐ No☐. Verification found on page _____.

- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income?
  Yes☐ No☐. Verification found on page _____.

H. PUBLIC COMMENT PERIOD

Was the proposed action plan amendment published via the grantee jurisdiction's usual methods and on the Internet for no less than 15 calendar days of public comment?

Yes☒ No☐. Verification found on page __4__.

Is there a summary of citizen comments included in the final amendment?

Yes☒ No☐ Verification found on page __14__.

I. WEBSITE PUBLICATION

The following Documents are available on the grantee's website:

- SF 424 Yes☒ No☐.
- Proposed NSP Substantial Amendment Yes☒ No☐.
- Final NSP Substantial Amendment Yes☒ No☐.
- Subsequent NSP Amendments Yes☐ No☐.

Website URL: __www.dca.ga.gov_______________

K. CERTIFICATIONS

The following certifications are complete and accurate:

(1) Affirmatively furthering fair housing	Yes☒	No☐
(2) Anti-lobbying	Yes☒	No☐
(3) Authority of Jurisdiction	Yes☒	No☐
(4) Consistency with Plan	Yes☒	No☐
(5) Acquisition and relocation	Yes☒	No☐
(6) Section 3	Yes☒	No☐
(7) Citizen Participation	Yes☒	No☐
(8) Following Plan	Yes☒	No☐
(9) Use of funds in 18 months	Yes☒	No☐
(10) Use NSP funds ≤ 120 of AMI	Yes☒	No☐
(11) No recovery of capital costs thru special assessments	Yes☒	No☐
(12) Excessive Force	Yes☒	No☐
(13) Compliance with anti-discrimination laws	Yes☒	No☐
(14) Compliance with lead-based paint procedures	Yes☒	No☐
(15) Compliance with laws	Yes☒	No☐

<u>Applicable Laws and Regulations</u>

A. Title III of Division B of the Housing and Economic Recovery Act of 2008 (Pub. L. 110–289, approved July 30, 2008)

B. (Federal Register) Notice of Allocations, Application Procedures, Regulatory Waivers Granted to and Alternative Requirements for Emergency Assistance for Redevelopment of Abandoned and Foreclosed Homes Grantees Under the Housing and Economic Recovery Act, 2008 (Docket No. FR–5255–N–01 published October 6, 2008) and any published supplements.

C. Except as otherwise provided above, amounts appropriated, revenues generated, or amounts otherwise made available to States and units of general local government under this section shall be treated as though such funds were community development block grant funds under title I of the Housing and Community Development Act of 1974 (42 USC 5301 et seq.).