

PUBLIC NOTICE

The City of Houston's (City) Housing & Community Development (HCDD) received funding under the Neighborhood Stabilization Program (NSP) enabled by the Housing and Economic Recovery Act of 2009 (NSP1) and the Dodd-Frank Wall Street Reform Act and Consumer Protection Act of 2010 (NSP3). The United States Department of Housing and Urban Development (HUD) has determined that for NSP, the states and local governments with the greatest need for neighborhood stabilization funding are those communities that have high numbers of foreclosed and/or vacant properties in the neighborhoods with the highest concentrations of foreclosures, delinquent loans, and subprime loans. The City of Houston submitted an action plan for \$13,542,193 for NSP1 and for \$3,389,035 in NSP3 funds, which were both approved by HUD. These funds have subsequently been expended and are now generating program income.

HUD requires that NSP program income be used in the following manner:

- If the total of NSP program income received in any one year is less than \$25,000.00, that program income can be spent on regular CDBG activities, with no more than 10% going to administrative costs;
- If the total of program income received in any one program year is at least \$25,000.00 but less than \$250,000.00, that program income must be spent on NSP-eligible activities in approved NSP zones, with no more than 10% going to administrative costs;
- If the total of NSP program income received in any one program year is \$250,000.00, that program income must be spent on NSP-eligible activities in approved NSP zones, with at least 25% serving households earning 50% of the Area Median Income and with no more than 10% going to administrative costs.

HCDD, on behalf of the City, proposes a fourth substantial amendment to account for NSP1 and NSP3 program income received through 3/31/2016. Program Income will be spent on the Develop Vacant Property activity (90%) and Administration (10%). Since 2014, an additional \$119,114.66 has been generated for NSP1 Program Income, bringing the total Program Income received by NSP1 to \$404,520.14. This increases the total NSP1 grant by 2.99%, for a total of \$13,946,713.04. Since 2014, an additional \$383,316.57 has been generated for NSP3 Program Income, bringing the total Program Income received for NSP3 to \$1,250,664.11. This increases the total NSP3 grant by 36.90%, for a total of \$4,639,699.11.

The public is invited to comment on this proposed amendment to the NSP1 and NSP3 grants for a period of 15 days, from Monday, April 18, 2016 through Tuesday, May 3, 2016. For more information on these projects, contact Joel North at (832) 394-6217. Written comments can be submitted by mail to Peggy Colligan, HCDD, 601 Sawyer Suite 400, Houston, TX 77007. Following the public comment period, the projects will be submitted to City Council for approval. For more information on HCDD and its programs, you may access HCDD's website at <http://www.houstontx.gov/housing/>.