

NEIGHBORHOOD STABILIZATION PROGRAM 2 (NSP2)
Central New York NSP2 PROGRAM
PUBLIC COMMENT PERIOD ANNOUNCEMENT

The U.S. Department of Housing and Urban Development (HUD) has been authorized to administer the federal Neighborhood Stabilization Program 2 (NSP2). NSP2 will provide grants to states, certain local communities and nonprofits to purchase and redevelop foreclosed or abandoned homes or other vacant properties, for resale or rental to low, moderate, and middle income households, in order to stabilize neighborhoods and stem the declining values of neighboring homes. The funding is provided under the American Reinvestment and Recovery Act of 2009 (Recovery Act) for additional activities under Division B, Title III of the Housing and Economic Recovery Act of 2008 (HERA).

On May 4, 2009 HUD released the NSP2 Application. State and local governments and nonprofits must submit applications for these funds to HUD by July 17, 2009. The national allocation under NSP2 is approximately \$1.93 billion and funds will be awarded by HUD through a competitive application process. Home HeadQuarters, Inc. and its consortium partners intend to compete for these funds to implement our NSP2 Program. Should funds be awarded to Home HeadQuarters, Inc., they will be administered by Home HeadQuarters, Inc. Funds awarded will be used to stabilize neighborhoods within Onondaga County and the city of Auburn, New York whose viability has been and continues to be damaged by the economic effects of properties that have been foreclosed upon and abandoned.

In accordance with HUD guidelines, the proposed Central New York NSP2 Program must be published for no less than 10 calendar days for public comment before it is submitted to HUD by the July 17, 2009 deadline. The following information on the amount of money applied for, uses of funds, and in which target geography NSP2-assisted activities will take place is accurate as of July 4, 2009 but may be revised between now and the application deadline of July 17, 2009.

Home HeadQuarters is requesting at least \$15,000,000 from HUD through the second round of the Neighborhood Stabilization Program (NSP2) that will impact at least 100 units by:

- Establishing financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-second, loan loss reserves, and shared-equity loans for low-and moderate income eligible homebuyers.
- In partnership with the City of Syracuse and Onondaga County, establishing a Land Bank for homes that have been foreclosed upon
- Demolishing blighted structures
- Redeveloping demolished or vacant properties for housing

All of the aforementioned activities may affect properties located in Onondaga County and the city of Auburn in eligible census tracts as defined by HUD's "Average Foreclosure Needs Index Score." Unless the Recovery Act or HERA states otherwise, the regular rules of the Community Development Block Grant (CDBG) program apply to the NSP2 funds. CDBG requirements related to fair housing, nondiscrimination, labor standards and the environment, including lead-based paint, will be met in the NSP2 Program. Home HeadQuarters will ensure, to the maximum extent practicable and for the longest feasible term, that the sale, rental or redevelopment of abandoned and foreclosed-upon homes remain affordable. All funds will benefit households below 120% of area median income, and 25% of the resources will benefit households of 50% of area median income.

Through the proposed NSP2 Program HeadQuarters will work in partnership with the City of Syracuse, the City of Auburn, Christopher Community, and Onondaga County to implement targeted revitalization plans. The majority of properties will be located in targeted neighborhoods in which Home HeadQuarters and/or its community partners are undertaking revitalization initiatives.

The proposed program will reduce the negative effects of blighted neighborhoods, spur investment, and improve home values. Home HeadQuarters encourages public participation in the development of its NSP2 Program. To provide an opportunity for that participation, we invite interested parties to review and comment on the proposed NSP2 Program during an upcoming public comment period.

This 10-day public comment period will begin on Saturday, July 4, 2009 and extend through Monday, July 13, 2009 closing at 5:00pm EST. Beginning on July 4, 2009 the proposed Central New York NSP2 Program may be viewed on and downloaded from the Home HeadQuarters, Inc., website at www.homehq.org. In addition, copies can be requested by e-mail at info@homehq.org or by calling 1-315-474-1939.

Comments should be mailed to: Home HeadQuarters, Inc. Attention: Andrea Zurbruegg Bennett, 124 E. Jefferson Street, Syracuse, New York 13202 or e-mailed to info@homehq.org. Comments must be received by 5:00pm EST on Monday, July 13, 2009.