



Legislation Text

File #: 20-2294, **Version:** 1

STRATEGIC PRIORITY: Economic and Neighborhood Vitality
AGENDA DATE: January 13, 2021
COUNCIL DISTRICT(S): All
DEPARTMENT: Department of Housing & Neighborhood Revitalization
EXECUTIVE: Dr. Eric A. Johnson

SUBJECT

Authorize **(1)** a preliminary adoption of Substantial Amendment No.5 to the Neighborhood Stabilization Program (NSP) 1 and NSP 3 to expand the target areas in the Action Plan as defined in Attachment A; and **(2)** a public hearing for public comments on February 10, 2021; and, at the conclusion of the public hearing approve the adoption of the Substantial Amendment No. 5 - Financing: No cost consideration to the City

BACKGROUND

In July 2008, the Housing and Economic Recovery Act of 2008 (HERA) through the U.S. Department of Housing and Urban Development (HUD) was enacted into law. HERA appropriated \$3.92 billion to assist states and localities in redevelopment efforts, particularly for foreclosed or abandoned housing properties. The Program is referred to as the Neighborhood Stabilization Program 1 (NSP1) and is considered a Special Allocation of 2008 Community Development Block Grant Funds.

In July 2010, the HERA was amended in Section 1497 of the Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) to add \$1 billion for NSP3 to assist states and localities in redevelopment efforts for foreclosed or abandoned housing properties.

On February 25, 2009, City Council authorized the acceptance of the NSP 1 funds in the amount of \$7,932,555.00. On February 9, 2011, the City of Dallas accepted its allocation of NSP3 funds in the amount of \$2,356,962.00. The Department of Housing and Neighborhood Revitalization (Housing) contracted with private developers to build single family units.

Altogether the NSP 1 and 3 programs developed 160 single family units and provided down payment assistance to 58 homebuyers. Housing expended all funds originally awarded and currently has \$1,290,613.00 in program income to disburse for development activities. Housing intends to avail these funds in the standing Notice of Funding Availability Program for developers to request through proposals.

This Council action will provide authorization for **(1)** a preliminary adoption of Substantial Amendment No. 5 to the NSP 1 and NSP 3 to expand the target areas in the Action Plan as defined in Attachment A; and **(2)** a public hearing for public comments on February 10, 2021; and; at the close of the public hearing approve the adoption of the Substantial Amendment No. 5.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 25, 2009, City Council authorized the acceptance of the NSP funds by Council Resolution No. 09-0530.

On February 9, 2011, City Council authorized the adoption of Substantial Amendment No. 1 by Resolution No. 11-0435.

On February 25, 2015, City Council authorized the adoption of Substantial Amendment No. 2 by Resolution No. 15-0432.

On December 9, 2015, City Council authorized the adoption of Substantial Amendment No. 4 by Resolution No. 15-2263.

FISCAL INFORMATION

No cost consideration to the City.