

**State of Georgia**  
**Neighborhood Stabilization Program**  
**Publication of Final NSP Action Plan**  
**And**  
**Direct Allocation Pool Notice of Funding Availability**

**Overview of Neighborhood Stabilization Program**

The purpose of the Neighborhood Stabilization Program (NSP) is to provide financial assistance to areas of greatest need through local governments for areas affected or likely to be affected by foreclosed and abandoned residential properties. Local governments and/or authorized sub-recipients may use the financial assistance for the discounted purchase of abandoned and foreclosed homes while providing affordable rental and homeownership opportunities to households individually or in areas at or below 120% of Area Median Income (AMI). See [www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/](http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/).

In accordance with the Department of Housing and Urban Development's (HUD's) 10/6/2008 Federal Register Notice, the Department of Community Affairs (DCA) has expedited the development of an Action Plan for distribution of approximately \$77 million in NSP funding from HUD in accordance with the provisions of Title III of the Housing and Economic Recovery Act of 2008. The Final Action Plan as amended subsequent to the end of the public comment process can be viewed [www.dca.state.ga.us/communities/CDBG/programs/nsp.asp](http://www.dca.state.ga.us/communities/CDBG/programs/nsp.asp).

The Final Action Plan describes the two methods whereby the State will distribute its NSP funds. Those methods include: 1) a formula analysis of need and initial allocation to the jurisdictions of highest need meeting threshold criteria (*Direct Allocation Pool*); and 2) the undertaking of direct NSP activities through the Georgia Housing and Finance Authority (*Flexible Pool*). The Plan also lists details on eligible applicants, eligible sub-recipients, eligible activities, implementation periods and application protocols for both methods of distribution.

**Changes Made to the Action Plan as a Result of Public Comment**

**The public comment period for the proposed Action Plan ran from November 13, 2008 through November 30, 2008 at 5:00 P.M.** A public hearing was held to discuss the proposed Plan on November 18, 2008 at DCA. Comments obtained through that hearing, workshops and submitted via email were considered and where such comments were accepted, changes were made to the final Plan. A summary of the various comments and changes can be reviewed in Section F of the final Plan.

One modification to the proposed Plan's narrative that should be noted which directly affects the applicability of this NOFA was a change to Section (B)(5) "Amendments and Reallocations". The amendment to the Plan's narrative reiterates and emphasizes that NSP federal entitlement jurisdictions are eligible for any State NSP reallocations. For NSP entitlements that are interested in possible State reallocations, the NSP entitlements must respond to the NOFA by the deadline through submission of letters of interest and a copy of the entitlement's NSP Action Plan as approved by HUD. Please note that State Direct Allocation recipients that submit proper applications by the deadline are automatically eligible for State reallocations.

**Direct Allocation Pool Notice of Funding Availability (NOFA)**

Local governments and potential sub-recipients eligible and interested in applying for NSP funding should review the law, HUD Notice and DCA's "final proposed" Action Plan (which will be updated pursuant to public comments following the comment period) before finalizing a local plan or application. On December 1, 2008, DCA submitted its Action Plan Amendment to HUD and simultaneously published this NOFA for the Direct Allocation Pool. Pursuant to this NOFA, **the due date for applications for the formula Direct Allocation Pool as January 15, 2008 at**

**5:00 p.m.** Please note that DCA reserves the right to extend this deadline based upon the date of HUD's approval of the State Plan or other exigency.

Please note that the Flexible Pool Request for Proposals (RFP) will be announced by the Georgia Housing and Finance Authority (GHFA) and published on this website at a later date.

### **Schedule of Milestones (to be adjusted based on date of HUD's approval of State Plan)**

<u>Date</u>	<u>Milestone</u>
11/13/08	DCA publishes Proposed Action Plan and NOI to publish a NOFA for comment
11/18/08	Public meeting to review and answer questions Action Plan and upcoming NOFA
11/30/08	Public comment period on proposed Action Plan ends
12/01/08	DCA Final Action Plan updated and submitted to HUD
12/01/08	NSP NOFA published
12/31/08	(Tentative) Action Plan approval and agreement with HUD
01/15/08	Local NSP applications for formula Direct Allocation due to DCA
01/15/09	Tentative DCA evaluation & review panel meeting begins
02/13/09	Tentative DCA evaluation & review panel meeting ends
02/20/09	Notice of Formula Allocations to Recipients
03/09/09	Formula Direct Assistance Agreements signed & implementation begins

### **References to Specific Action Plan Sections**

See [www.dca.state.ga.us/communities/CDBG/programs/nsp.asp](http://www.dca.state.ga.us/communities/CDBG/programs/nsp.asp) for a copy of the proposed Action Plan. For assistance in reviewing the proposed action Plan, specific sections are referenced below.

#### **Section A – Determination of Areas of Greatest Need**

- (A)(1) Description of the State Need Formula (Details in Appendix 1)
- (A)(2) State Need Formula's Correlation with National Formula
- (A)(3) State Survey of Local Need
- (A)(4) Use of State Assistance Agreements to Prioritize Needs in High Risk Areas
- (A)(5) Eligible Uses of Assistance to Address Needs (NSP Activities)
- (A)(6) Provisions for Counseling, Mortgages and Other Limitations
- (A)(7) Citizen Participation and Advisory Group

#### **Section B – Distribution Methods and Use of Funds**

- (B)(1) Direct Allocation Pool (based on Need Formula) and GHFA Flexible Pool
- (B)(2) Method of Distributions Conformance with HERA
- (B)(3) State Allocation Amounts Available
- (B)(4) Administration, Grant/Loan Management, Monitoring and Reporting
- (B)(5) Amendments and Reallocations
- (B)(6) Details on Direct Allocation Method of Distribution
- (B)(7) Details on Flexible Pool Method of Distribution

#### **Section C – Required Definitions and Descriptions**

- (C)(1) Blighted Structures
- (C)(2) Affordable rent
- (C)(3) Continued Affordability
- (C)(4) Rehabilitation Standards

#### **Section D – Low-Income Targeting Description**

#### **Section E – Acquisition and Relocation Description**

#### **Section F – Public Commentary**

#### **Section G – Individual NSP Activity Information**

#### **Section H -- Certifications**

### **Allocation Formula Method Application Format**

The application materials for the Direct Allocation Pool are available on DCA's website at <http://www.dca.state.ga.us/communities/CDBG/programs/nsp.asp> .

### **Questions**

Please direct questions regarding this announcement or the overall Action Plan to Glenn Misner at (404)-679- 3138, Steed Robinson at (404)-679- 3168, or Brian Williamson at (404)-679-1587 or by e-mail to [nsp.questions@dca.ga.gov](mailto:nsp.questions@dca.ga.gov). Specific questions regarding the GHFA Flexible Pool should be directed to Cassandra Knight at (404) 679-4805 or by email to [cknight@dca.state.ga.us](mailto:cknight@dca.state.ga.us).