

**State of Georgia**  
**Neighborhood Stabilization Program 3**  
**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 3 (NSP 3) 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 <http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/nsp3.cfm>

In accordance with the Department of Housing and Urban Development's (HUD's) 10/19/2010 Federal Register Notice, the Department of Community Affairs (DCA) has expedited the development of an Action Plan for distribution of approximately \$18.6 million in NSP 3 funding from HUD in accordance with the provisions of Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Pub.L. 111-203, H.R. 4173)

The Final Action Plan as amended subsequent to the end of the public comment process can be viewed at: <http://www.dca.ga.gov/communities/CDBG/programs/nsp3.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 (*Affordable Rental Housing Development pool*). The Plan also list 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 February 18, 2011 through February 25, 2011 at 5:00 P.M.** A public hearing was held to discuss the proposed Plan on February 18, 2011 at DCA. Comments obtained through that hearing and submitted via email were considered and where such comments were accepted, changes made to the final Plan. A summary of the various comments and changes can be reviewed in Section 6 and Appendix 5 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 the Due date for NSP 3 applications to DCA. The proposed amendment to the consolidated plan indicated that NSP 3 applications from local governments were due to DCA on March 31, 2011. **Subsequent to comment received at the Public Hearing, DCA will accept applications for funds for NSP 3 through April 15, 2011.**

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

Local governments and potential sub-recipients eligible and interested in applying for NSP 3 funding should review the law, HUD Notice and DCA's Action Plan before finalizing local plans or applications. On February 28, 2011, DCA submitted its Action Plan Amendment to HUD and on March 9, 2011 published this NOFA for the Direct Allocation Pool. Pursuant to this NOFA, the **due date for applications for the formula Direct Allocation Pool as April 15, 2011 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 Affordable Rental Housing Development 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>
02/10/11	DCA publishes Proposed Action Plan and NOI to publish a NOFA for comment
02/18/11	Public meeting to review and answer questions Action Plan and upcoming NOFA
02/25/11	Public comment period on proposed Action Plan ends
03/01/11	DCA Final Action Plan updated and submitted to HUD
03/09/11	NSP NOFA published
03/31/11	(Tentative) Action Plan approval and agreement with HUD
03/15/11	Regional/Joint Applicants must submit Notice of Intent to apply to DCA
04/15/11	Local NSP applications for formula Direct Allocation due to DCA
04/18/11	Tentative DCA evaluation & review panel meeting begins
04/30/11	Tentative DCA evaluation & review panel meeting ends
05/01/11	Notice of Formula Allocations to Recipients
05/16/11	Formula Direct Assistance Agreements signed & implementation begins
06/30/11	DCA Submits second NSP 3 amendment to HUD detailing final need and target area mapping information

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

See <http://www.dca.ga.gov/communities/CDBG/programs/nsp3.asp> for a copy of the Final Action Plan. For assistance in reviewing the Action Plan, specific sections are referenced below.

Section 1 - Grantee Information

Section 2 - Determination of Areas of Greatest Need

- (A) Description of the State Need Formula (Details in Appendix 1)
- (B) State Need Formula's Correlation with National Formula
- (C) Submission of Requests for Funds from Local Jurisdictions
- (D) Use of State Assistance Agreements to Prioritize Needs in High Risk Areas
- (E) Eligible Uses of Assistance to Address Needs (NSP 3 Activities)
- (F) Provisions for Counseling, Mortgages and Other Limitations
- (G) Citizen Participation and Advisory Group
- (H) Distribution Methods and Use of Funds
  - (1) Distribution of Funds and Direct State Undertakings
  - (2) State Allocation Amount Available
  - (3) Administration, Grant/Loan Management, Monitoring and Reporting
  - (4) Amendments and Reallocations
  - (5) Details on Direct Allocation Method of Distribution
  - (6) Details on Affordable Rental Housing Development Pool Method of

Distribution

- (I) Joint Agreements with NSP 3 Entitlements

Section 3 - Definitions and Descriptions

- (1) Blighted Structures
- (2) Affordable rent
- (3) Long Term Affordability
- (4) Rehabilitation Standards

Section 4 - Low-Income Targeting Description

Section 5 - Acquisition and Relocation Description

Section 6– Public Commentary

Section 7 – Individual NSP Activity Information

Section 8 -- Certifications

See <http://www.dca.ga.gov/communities/CDBG/programs/nsp3.asp>. For a copy of the Final Action Plan.

The application materials for the Direct Allocation Pool are available on DCA's website at <http://www.dca.ga.gov/communities/CDBG/programs/nsp3.asp>.

### **Questions**

Please direct questions regarding this announcement or the overall Action Plan to Glenn Misner at (404)-679- 3138, or Brian Williamson at (404)-679-1587 or by e-mail to [nsp.questions@dca.ga.gov](mailto:nsp.questions@dca.ga.gov).

### **Send Correspondence to:**

Georgia Department of Community Affairs  
ATTN: NSP  
60 Executive Park South  
Atlanta, GA 30329