

Plainfield Neighborhood Stabilization Program 2

The Neighborhood Stabilization Program 2 (NSP2), authorized under the American Reinvestment and Recovery Act of 2009, provides through the US Department of Housing and Urban Development (HUD) funding to be awarded on a competitive basis to states, municipalities, nonprofit organizations or consortia of nonprofits, to stabilize neighborhoods whose viability has been and continues to be damaged by the economic effects of properties that have been foreclosed upon and abandoned.

Beneficiaries of direct investment of NSP2 funds are limited to households with incomes not in excess of 120% of the Area Median Income (AMI). In addition, not less than 25% of NSP2 funds must benefit households with incomes not more than 50% AMI.

CityWorks, a nonprofit corporation operating state-wide in urban centers, intends to make application for NSP2 funds to support the revitalization of those areas (census tracts) that qualify for NSP2 funding, based on the HUD determination of need.

The principal objective of NSP2 is to acquire and redevelop vacant, foreclosed and abandoned properties, and return them to productive use, thereby stabilizing the areas adversely affected by these properties. A further objective is to achieve the benefits of the program as expeditiously as possible, so as to bring prompt economic benefit to the community. In fact, under the law ('federal stimulus') all funds must be expended within 36 months.

The HUD Notice of Fund Availability, through which HUD has invited applications, permits an Applicant to identify a for-profit partner in the implementation of the proposed activities. Such designation is assumed to bring significant capacity to the effort, and to accelerate development, particularly in cases in which the partner has legal control over properties to be developed. CityWorks has identified Landmark Developers as their partner in the NSP2 initiative.

The stabilization and revitalization activities are to be concentrated in census tract #393. It is anticipated that 168 housing units will be developed through rehabilitation of existing, vacant residential structures and through new construction. More than 85% of those units will be produced through the development of properties already titled to Landmark.

Nine existing structures have been identified for rehabilitation in the provision of 68 units, and the newly constructed units will be produced through the development of a single site in the target area.

The amount of NSP2 funds anticipated to be requested is \$15,250,000.