A high-contrast, black and white photograph of a building facade. The image is mostly black with a bright white diagonal line running from the top left towards the center. In the upper right, there is a dark rectangular shape, possibly a window or door, with some internal details visible. The overall image has a grainy, high-contrast appearance.

City of Las Vegas Neighborhood Stabilization Plan

Background

- Title III of Division B of the Housing and Economic Recovery Act, 2008 (HERA) was passed to address foreclosure issue.
- The Neighborhood Stabilization Program was created with \$3.9 Billion dedicated to states, counties and cities throughout the country to address foreclosures impacting communities.
- HUD began meeting with localities in September of 2008 with a December 1, 2008 deadline to submit plans.

HUD Allocation Formula

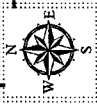
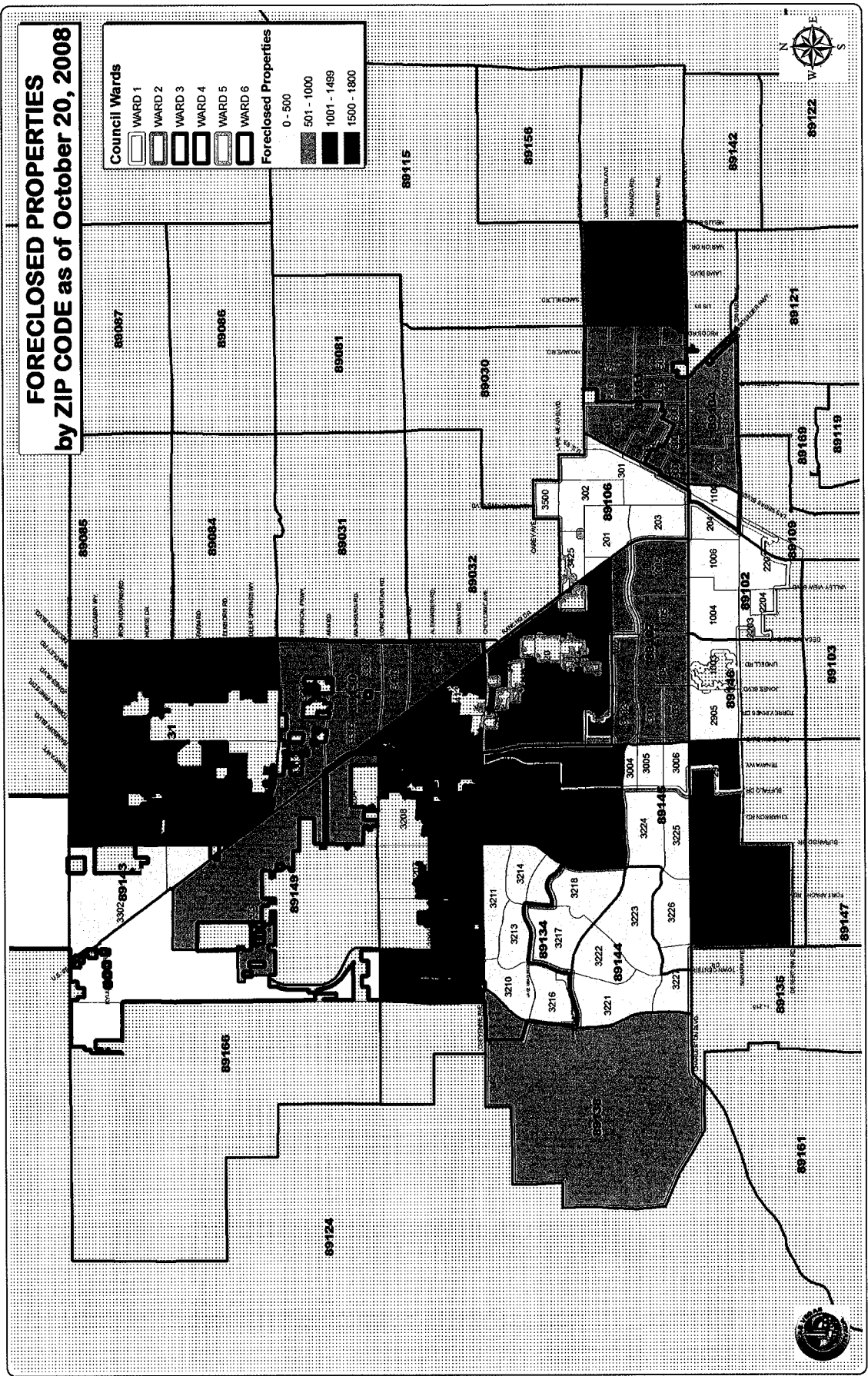
Need is based on number and percentage of:

- Home foreclosures in each state or unit of local government.
- Homes financed by a subprime mortgage related loan in each state or unit of local government.
- Homes in default or delinquency in each state or unit of local government.

City of Las Vegas: Greatest Number and Percentage of Foreclosures

FORECLOSED PROPERTIES
by ZIP CODE as of October 20, 2008

Council Wards	
	WARD 1
	WARD 2
	WARD 3
	WARD 4
	WARD 5
	WARD 6
Foreclosed Properties	
	0 - 500
	501 - 1000
	1001 - 1499
	1500 - 1900



Income Limits

- All funds must be used to benefit individuals at or below 120 percent of area median income.
- At least 25 percent of the funds must be used for activities that benefit individuals whose incomes do not exceed 50 percent of area median income.

Eligible Activities

Eligible activities include:

- Assistance for qualified homebuyers.
- Acquisition of foreclosed properties.
- Acquisition and/or redevelopment of blighted and abandoned structures that have been foreclosed.

Ineligible Activities

Ineligible Activities include:

- Foreclosure prevention.
- Demolition of non-blighted structures.
- Purchase of properties not abandoned or foreclosed.

Additional NSP Requirements

- Grantees must obtain “maximum reasonable discount” from the lender.
- Purchase discount must equal a minimum portfolio average of 15 percent.
- Program income received on or after June 30, 2013 must be returned to the Federal Treasury Department.

Important Dates

- Neighborhood Stabilization Plan must be submitted to HUD by December 1, 2008.
- HUD has 45 days to approve the plan.
- The city has 18 months to commit the funds from date of HUD approval.
- The NSP program ends June 30, 2013.

Funding for City of Las Vegas

Direct Allocation

\$14,775,270

Portion of State Allocation

\$ 3,930,349

Pilot Project w/ State

\$ 2,000,000

Total Allocation

\$20,695,619

Proposed Distribution of Funds

• Homebuyer Program	\$ 7,403,684
• Lease to Own	\$ 5,403,684
• Scattered Site Housing	\$ 5,085,364
• Professional Services	\$ 1,000,000
• Administration	<u>\$ 1,802,887</u>
Total	\$20,695,619

Homebuyer Assistance Program

- An average assistance of \$30,000 for mortgage buy-down; down payment; and/or closing costs.
- Homes will be eligible for purchase for households earning up to 120 percent AMI.
- Assist 245 qualified households.

Lease to Own Program

- Individual or family may lease up to four years while preparing for homeownership.
- Homes will be eligible for lease to own for households earning up to 120 percent AMI.
- Average home purchase price \$200,000.
- City to purchase approximately 27 homes.

Scattered Site Housing Program

- City to purchase approximately 26 homes.
- Homes will be used as rentals for qualified households earning 50 percent AMI.
- Rent revenue to be used to maintain properties.

Professional Services

The plan provides for funding to partner with non-profits and private sector for activities such as:

- Housing and Credit Counseling
- Property Management
- Rehab
- Appraisals
- Brokers

Administration

- Ten percent of the total Federal funding can be used for the administration of the program up to June 2013.
- City staff will be able to charge-back to the NSP program related hours and/or training associated with program implementation, monitoring and reporting.

Public Comment

- Public comment period Nov. 10–25, 2008.
 - Plan posted on city Web site.
 - Meeting held with non-profits Nov 17.
 - Plans are available at the
 - » Neighborhood Services Department,
 - » West Las Vegas Cultural Arts Ctr.,
 - » Stupak Community Ctr., and
 - » East Las Vegas Community/Senior Ctr.

City of Las Vegas Neighborhood Stabilization Plan

Foreclosure Information and Intervention Services
Helpline
229-HOME (4663)