

EFM SUBMISSION NO.: 2012 EFM080

PRESENTED: 10-2-12

ADOPTED: 10-3-12

**BY THE EMERGENCY FINANCIAL MANAGER:**

**Resolution Authorizing City Officials to Accept Neighborhood Stabilization Grant 3 (NSP3) Grant in the amount of \$3,076,522.00 from the U. S. Department of Housing and Urban Development and appropriate funds to a project account established for the NSP3 Program**

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 provided an additional \$1 billion for the Neighborhood Stabilization Program 3 (NSP3) that was originally established under the Housing and Economic Recovery Act of 2008. HUD awarded grants to 270 states and selected local governments to mitigate the negative impact of the nation's economic decline and housing market collapse and to stabilize and revitalize communities/areas hit the hardest.

On March 14, 2011, the City of Flint received a NSP3 grant in the amount of \$3,076,522.00 from the U. S. Department of Housing and Urban Development. The grant application outlined the activities that will be financed using these funds.

Ninety percent of the funds or \$2,768,869.80 are for programs and funds are to be made available in 297 fund in account 741.101-700.100 expense account and revenue account 297-741.101-502.741. Ten percent of the total grant award or \$307,652.20 is to be made available in the 297 fund and budgeted in accounts 297-741.100-700.100 (expense) and 297-741.100-502.741 (revenue) to support administration and oversight of the NSP3 program.

**IT IS RESOLVED**, That City officials are hereby authorized to do all things necessary to comply with the terms and conditions set forth in the grant agreement with HUD and accept \$3,076,522.00 in Neighborhood Stabilization Program 3 (NSP3) funds from HUD, and to establish appropriate revenue and expense accounts in the 297 Fund.

**APPROVED AS TO FORM:**

**APPROVED AS TO FINANCE:**

  
\_\_\_\_\_  
Peter M. Bade, City Attorney

  
\_\_\_\_\_  
Gerald Ambrose, Finance Director

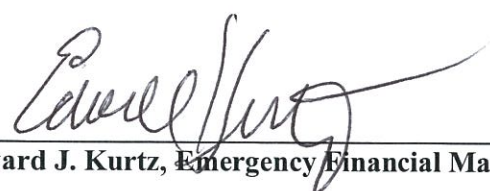
**EFM DISPOSITION:**

  
\_\_\_\_\_  
Michael K. Brown, City Administrator

ENACT   /  

REFER TO COUNCIL \_\_\_\_\_

FAIL \_\_\_\_\_

  
\_\_\_\_\_  
Edward J. Kurtz, Emergency Financial Manager

DATED: 10-3-12

## RESOLUTION STAFF REVIEW FORM

**DATE:** September 22, 2012

**Agenda Item Title:**

**Resolution Authorizing City Officials to Accept Neighborhood Stabilization Grant 3 (NSP3) Grant in the amount of \$3,076,522.00 from the U. S. Department of Housing and Urban Development and appropriate funds to a project account established for the NSP3 Program**

**Prepared By:** Karen A. Morris, DCED Program Manager

**Author:** Tracy B. Atkinson, DCED Director

**Requestor:** Department of Community and Economic Development (DCED)

**Background/Summary of Proposed Action:**

The Neighborhood Stabilization Program (NSP) was established for the purpose of stabilizing communities that have suffered from foreclosures and abandonment. Through the purchase and redevelopment of foreclosed and abandoned homes and residential properties, the goal of the program is being realized.

On March 14, 2011, the City of Flint received a NSP3 grant in the amount of \$3,076,522 from the U. S. Department of Housing and Urban Development. The grant application outlines the activities that will be financed using these funds. HUD requires that NSP funds be distributed to the areas of greatest need and the City had demonstrated the area of greatest need in its grant application.

NSP3 funds can be used to purchase and rehabilitate abandoned and foreclosed homes and residential properties, demolition of blighted structures that have been foreclosed upon and program administration.

**Financial Implications:**

The approval of this resolution will assist the City with additional financial resources to address blight and will provide housing to low to middle income families. Fifty percent of NSP3 funds must be expended on or before March 13, 2013, which is a regulatory requirement outlined in the grant agreement.

**Budgeted Expenditure:** Yes ☒ No ☐ **Please explain, if no:**

Account #: Reviewed and approved by C. Cheshier  
Revenue account number: 297-741.101-502.741 and unallocated budget appropriations expense account number: 297-741.101-700.100. Also, admin accounts 297-741.100-700.100 expense account and 297-740.100-502.741 revenue account numbers.

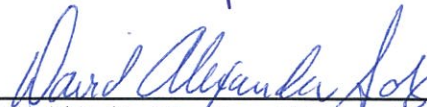
**Pre-encumbered:** Yes ☐ No ☐ **Requisition #** \_\_\_\_\_


**Other Implications:** There are no other known implications at this time.

**Staff Recommendation:** Staff recommends approval of this resolution.

**APPROVAL**

  
Tracy B. Atkinson, Director of DCED

  
David Solis, Director of Economic Development

  
Howard Croft, Infrastructure and Development Director