



CITY OF ANTIOCH
CALIFORNIA
NEIGHBORHOOD STABILIZATION PLAN (NSP)
SUBSTANTIAL AMENDMENT TO
COMMUNITY DEVELOPMENT BLOCK GRANT
(CDBG) AND ANTIOCH DEVELOPMENT AGENCY
(ADA)
FISCAL YEAR 2009-2010
ACTION PLAN

APRIL 2010

(DRAFT)

On July 30, 2008, President Bush signed into law the 2008 Housing and Economic Recovery Act (HERA). HERA included a special allocation of CDBG funds, known as Neighborhood Stabilization Program (NSP) funds. NSP provides targeted emergency assistance to state and local governments to acquire and redevelop abandoned and foreclosed residential properties that might otherwise become sources of abandonment and blight within our communities. Antioch received an allocation of \$4,049,228. NSP programs are required to set aside 25% of their allocation (or \$1,012,307) for housing available to families with incomes at 50% or below Area Median Income (AMI). Of the total allocation 10% or \$404,922 can be used for program administration.

HERA requires that these funds are targeted to the areas with the greatest need as determined by the percentage of sub-prime or high cost mortgages, rate of foreclosures, and risk of further decline through foreclosures and abandonment. The City has 18 months to fully obligate these funds, and four years to expend all funds. Any program revenue can be reallocated to NSP eligible uses through 2014.

On November 18, 2008 the City Council adopted a Substantial Amendment to the Community Development Block Grant (CDBG) Annual Action Plan to include the NSP program and activities and to set forth the target areas and programs for the Antioch NSP activities. The Amendment was approved by HUD on January 27, 2009 and included a number of programs and activities eligible for NSP funding. Those programs and the allocated funding were as follows:

Program	Area	NSP Allocation	Number of Homes
Revolving Fund for Purchase and Rehabilitation	High Priority	\$2,000,000	10 homes initially, more if funds revolve
Revolving Fund for Purchase and Self Help Rehabilitation (i.e. Habitat for Humanity type project)	High Priority	\$600,000	4 or more homes depending on leverage of volunteer labor, and materials donations and foundation grants
Down payment Assistance/Shared Appreciation Loans	High and Medium Priority	\$120,000	4 loans
Low Income Rental	High Priority	\$924,306	To be determined
Demolition and Land Banking	High Priority	None at this time. This is a low priority project, but there may be a limited need.	To be determined
Homebuyer Pre-purchase Counseling	High and Medium Priority	None at this time. It is anticipated that homebuyer counseling will be funded through other programs.	To be determined
NSP Program Planning and Administration	N/A	\$404,922	N/A

In the months that followed the approval of Antioch’s NSP funding staff have received training on the utilization of NSP funds and NSP program guidelines. With this better understanding of the NSP program the allocations will be redistributed to better meet the needs of the Antioch community and fund projects in the appropriate categories. All activities will take place in the original high priority target area identified in the November 2008 NSP program (Attachment A) The revised allocations are as follows:

Total Award		\$ 4,049,228	
Activity	Original Funding	Proposed Funding	
Admin	\$404,922	\$ 404,922	<i>No Changes</i>
LH25 Acquisition/Rehab		\$ 1,012,307	<i>\$600K under agreement with Habitat and the remainder to RFP.</i>
Acquisition/Rehab		\$ 720,000	<i>Available through RFP.</i>
Redevelopment		\$ 1,911,999	<i>Satellite project</i>

Activity Description

LH25 Acquisition/Rehab-\$1,012,307

Under LH25, the funds will be used to acquire and rehabilitate up to 6 homes for families with incomes at 50% or below area median income (AMI). As homes are sold to qualified buyers, funds will revolve back into the NSP program and will allow for the acquisition and rehabilitation of additional properties. The funds will be divided in two ways. \$600,000 was approved by the City Council on March 23, 2010 for Habitat for Humanity East Bay, as a developer identified in the original NSP program. The balance of \$412,307 will be available to qualified developers and or contractors chosen through an RFP process.

Acquisition/Rehab-\$720,000

Funds in the amount of \$720,000 will be available for activities similar to those under LH25 but will not be restricted to families with incomes at or below 50%. Funds will be available for the acquisition and rehabilitation of up to 3 homes. As homes are sold and funds revolve back into the NSP program, funds will be made available the purchase of additional qualified properties. Household incomes of qualified buyers under Low Moderate Middle Income (LMMI) can go up to 120% of AMI. These funds will be available through the RFP process.

Redevelopment-\$1,911,999

Funding under the original NSP program identified the development of multi-family affordable rental housing for seniors. Satellite Housing, a non-profit housing developer has proposed a project within the high priority target area to construct up to 85 units for seniors. HUD has required that the activity be moved to the correct NSP activity category of Redevelopment, which is the development of vacant or abandoned properties, to utilize the funds in the appropriate manner. The Satellite site is located at James Donlon and Tabora Road.

Administration-\$404,922

This represents 10% of the City's NSP allocation and will fund program staff, contract legal support and other program related costs.

ATTACHMENTS:

A-Target Area Map

B-Neighborhood Stabilization Program (NSP) Substantial Amendment dated November 2008

