

STAFF REPORT

City of Lancaster

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Date: March 27, 2012

To: Mayor R. Rex Parris and City Council Members

From: Elizabeth Brubaker, Director of Housing & Neighborhood Revitalization

Subject: **Appropriate Program Income Funds for the Neighborhood Stabilization Program Pursuant to the Housing and Economic Recovery Act of 2008**

Recommendation:

Increase estimated revenues in account number 363-3100500 in the amount of \$1,500,000.00 from the sale of Neighborhood Stabilization Program (NSP) homes; appropriate Salaries in the amount of \$106,030.00 per Schedule A and Program Expenditures in the amount of \$1,393,970.00 to account number 363-4542780.

Financial Impact:

Funding of the City's Neighborhood Stabilization Program comes from the U.S. Department of Housing and Urban Development's Neighborhood Stabilization Program Grant pursuant to the Housing and Economic Recovery Act of 2008. \$1,500,000.00 is expected in revenues from the sales of the NSP homes and will be used for eligible expenditures.

Background:

In September 2008, pursuant to the Housing and Economic Recovery Act of 2008, the U.S. Department of Housing and Urban Development allocated a total of \$3.92 billion to the Neighborhood Stabilization Program. This program, which is similar in nature to Lancaster's Neighborhood Foreclosure Preservation Home Ownership Program, assists cities with federal funds for the purpose of addressing the effects of abandoned and foreclosed properties in the nation's communities. The City of Lancaster received a NSP allocation of \$6,983,533.00 from the U.S. Department of Housing and Urban Development. These funds, pursuant to federal regulations, must benefit persons of low to moderate- and middle-income in qualified areas within the community.

The request for the appropriation will make the funds available to cover the cost of eligible activities associated with the Neighborhood Stabilization Program and assist the City in maintaining the acquired and rehabilitated NSP homes.

EC:CS:cl

Attachment:

Schedule A