

ENTITLEMENT APPLICATION

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NSP3 NEIGHBORHOOD STABILIZATION PROGRAM

NSP₃: DEFINITIONS

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Primary purpose: To arrest housing decline and to stabilize **neighborhoods**

- ❑ **NSP1 – Focused on stabilizing whole communities; scattered site development acceptable as long as they were in an eligible area**
- ❑ **NSP₃ – Focused on specific target area to make a visual impact and revitalize the neighborhood; no scattered site development in this program**

NSP3 : GRANT DISTRIBUTION

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- **Federal Appropriation**
\$1 billion
- **Kansas City, KS**
Will receive \$1,137,797 based on a federal formula for entitlement community allocation

NSP3: HUD GUIDELINES

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- 3 years to expend 100% of grant from time of signed grant agreement.
- Benefit to persons/families
 - At least **25%** of grant must benefit **50%** of **Area Median Income persons or families.**

NSP3: ADDITIONAL HUD GUIDELINES

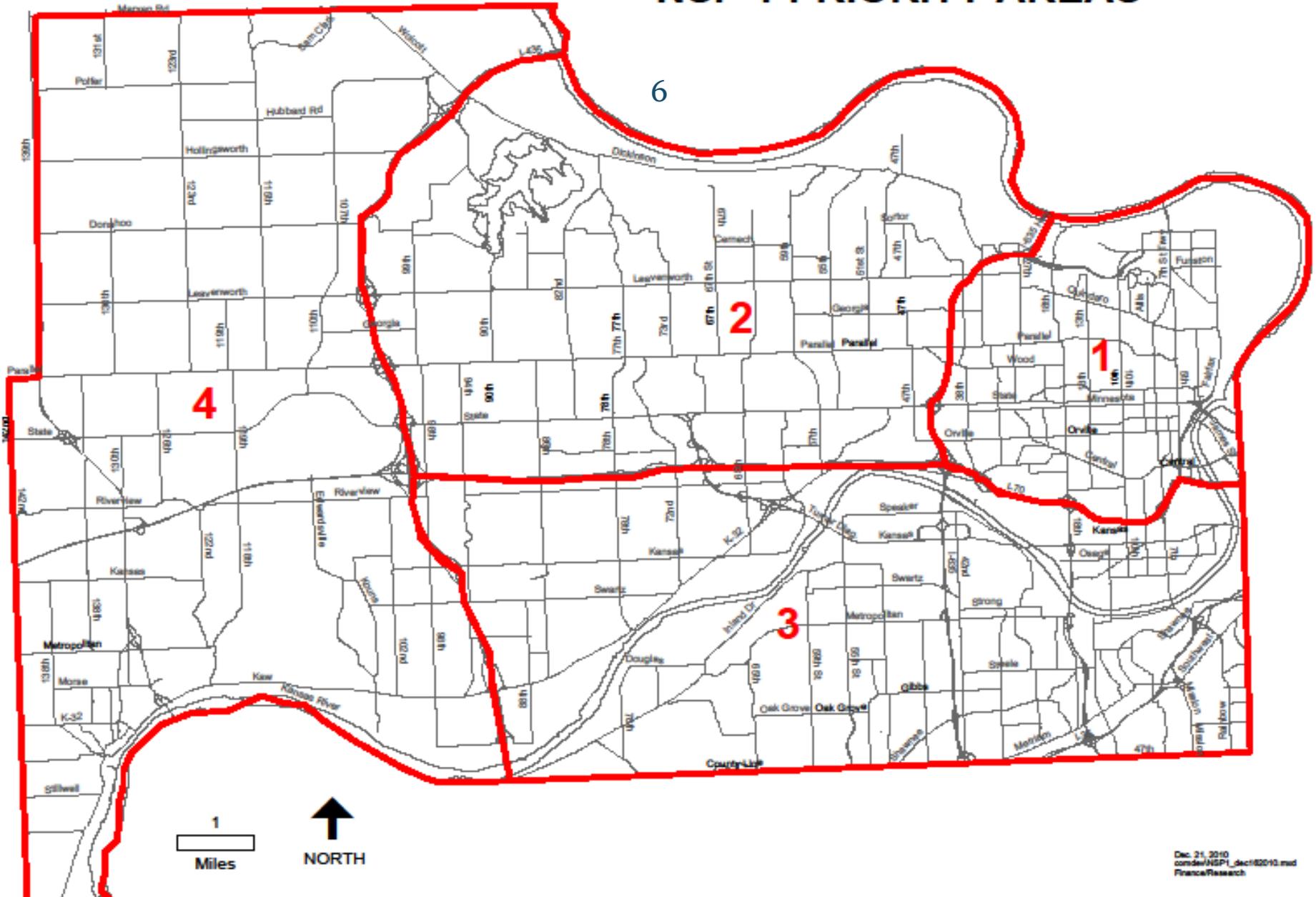
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Target Neighborhood: Areas identified by HUD **mandated** use of Mapping Tool. NSP3 funds will be spent at a minimum, in census tracts with a state identified foreclosure risk factor of 12 (20 = greatest need).

**Due to limited funding, the UG will only assess eligible census tracts with a score of 16 and greater.*

- Assistance must be given to at least **20% of eligible Banked Owned** properties in order to have a **visible and lasting** impact.
- Use of market analysis techniques to identify structures within identified priority areas

NSP 1 PRIORITY AREAS



NSP₃ TARGET AREA

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Area on Quindaro Blvd, 22nd Street to 27th Street



NSP3 Target Area Cont'd

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- Area chosen because of # factors:
 - Is a part of the approved State Target Area
 - Highly visible area; close to intersection of North 18th Street and I-635
 - ✦ 2008 MARC traffic study shows a daily traffic average of 80,000 cars/day for I-635, and 20,000 cars/day for 18th Street
 - ✦ There are nearly 3 people entering Wyandotte County from Clay County, Missouri for every 1 person leaving daily along I-635; representing an opportunity for inward migration of out-county residents through affordable housing development.

NSP3 Target Area Cont'd

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- Uses a “corridor” development approach rather than an interior approach- “Gateway” from 635 to Quindaro Blvd.
- Analysis of Realty Trac foreclosure information from January to February 2011 illustrates a number of vacant (landbank) lots already available along Quindaro with high visibility.
 - ✦ This allows for greater flexibility in removing adverse factors and creating substantial impact with extremely limited funding.
- Implements elements of UG land use plan that develops both the urban residential and indirectly strengthens future commercial development through NSP activity.

NSP₃ HUD ELIGIBLE USES

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- 1. Acquire and Rehab (Foreclosed/ Abandoned Residential Property)**
- 2. Demolition (Blighted Foreclosed Single Family houses)**
- 3. Redevelopment (Demolished Foreclosed Property)**

NSP3 Program Design

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Target Neighborhood: Based on the results of the HUD Mapping Tool the UG proposes to work in **Target Area #1- See Map.**

- ❑ Acquisition: Acquire estimated 7 units of Bank-Owned property (may include vacant lots)
- ❑ Demolition: Demolish approximately-
2 units (to be redeveloped)
- ❑ Redevelopment: Redevelop approximately 7 units of blighted and/or vacant properties

NSP3: OTHER KEY COMPONENTS

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- Address Energy Conservation and Efficiency
 - EPA Energy Star five-star ratings that enable a 20-30% reduction in heating and cooling costs
 - Energy Star 3 standards for mechanical construction
- Job creation/vicinity hiring (discussed in next section)

NSP3: CAPACITY FACTORS

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- 3 CHDO's involved in NSP1, as well as annual HOME Program responsibilities
- UG serves as general contractor – RFQ's for local “vicinity” hiring
- RFQ's for local subcontractors or who employ or hire local residents as employees would receive additional weight
- UG would work with Youthbuild and other CDBG partners which would give UG greater control and be more cost-effective