



# *Fact Sheet*

**From the Office of Public Information & Communications**

**Topic/Issue:**

**HUD Neighborhood Stabilization Program**

**General Statement:**

U.S. Department of Housing and Urban Development's new Neighborhood Stabilization Program (NSP) provides funds to every state and certain local communities to acquire foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes.

**Facts:**

The City of Mesa has been allocated money by HUD for the Neighborhood Stabilization Program:

- Mesa's allocation of NSP funding is \$9,659,665. The City has to apply for the funding by December 1, 2008. The City of Mesa must incorporate an action plan on how to spend its allocation. After HUD approves the application and action plan, the City will enter into an agreement with HUD.
- NSP funds may be used for such activities as establishing financing mechanisms for purchase and redevelopment of foreclosed homes and residential properties, purchase and rehabilitate homes and residential properties abandoned or foreclosed, establish land banks for foreclosed homes, demolish blighted structures, and redevelop demolished or vacant properties.
- All activities funded by NSP must benefit low and moderate income persons whose income does not exceed 120 percent of area median income.
- The NSP information is preliminary. HUD will soon host regional meetings to provide more specific information. Mesa will be represented at a regional meeting in October. This will be followed by training for Neighborhood Services employees and a meeting with non-profit agencies.
- The City of Mesa's goal is to work with HUD to stabilize neighborhoods affected by abandoned and foreclosed homes.

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