



The purpose of this public hearing is to provide an opportunity for comments on the application for NSP funding.

DISCUSSION

Subject to any revisions that result from this public hearing, staff proposes to apply for a total of \$1,521,464 in federal NSP funds to create a home buyer program.

The attached application for NSP funding includes the following salient provisions for the home buyer program:

- Program is available to qualified home buyers whose household income is at or below 120% of Area Median Income (See table below);

Income Standard	Household Size					
	1	2	3	4	5	6
Orange County Area Median Income	58,900	67,300	75,700	84,100	90,800	97,600
120% of Area Median Income	70,600	80,700	90,800	100,900	109,000	117,000

- All program participants must attend an eight hour, HUD approved home buyer training course;
- The property must be in foreclosure and must be purchased at a discounted price of at least 5% below the appraised value of the home;
- Down payment assistance will be available in an amount up to \$40,000;
- Properties purchased must be within census tracts with a HUD foreclosure abandonment risk score of five (5) or above;
- The property purchased must be the buyer's principal place of residence; and
- The property must continuously be maintained in accordance with local and state codes.

Use of NSP funds will fulfill the following national objective:

Housing Activities: NSP funding will provide permanent residential structures that will be occupied by a household whose income is at or below 120% of area median income (LMMH).

If additional monies become available, the City will apply for the maximum available under the NSP allocation to finance the purchase and redevelopment of foreclosed homes and residential properties to be performed within census tracts with a HUD foreclosure abandonment risk score of five (5) or above.

FINANCIAL IMPACTS

The Neighborhood Stabilization Program will have no impact on the General Fund. A successful application for the NSP Program will bring \$1,521,464 in new funding to address abandoned and foreclosed homes in the cities of Garden Grove and Westminster.

COMMUNITY VISION IMPLEMENTATION

One of the City's goals for our neighborhoods is to "seek to insure quality housing opportunities in the community, without unduly burdening existing residents." The Neighborhood Stabilization Program works toward achieving that goal.

RECOMMENDATION

It is recommended that the City Council:

- Conduct a public hearing and accept public comments regarding the application for the NSP Program, and
- Approve the attached resolution authorizing the submittal of an application to HCD for funding under the Neighborhood Stabilization Program.

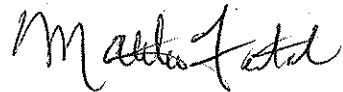


SUSAN EMERY  
Community Development Director



By: Allison Mills  
Senior Project Manager

**Approved for Agenda Listing**



**Matthew Feral**  
City Manager

Attachment 1: Resolution  
Attachment 2: Completed NSP Application