

CITY OF MILWAUKEE, WISCONSIN

**NEIGHBORHOOD STABILIZATION
PROGRAM II (NSP 2)**

**Proposed Amendment to the Action Plan for Federal
Funding for the Neighborhood Stabilization Program II
(NSP 2) for the Redevelopment of
Abandoned & Foreclosed Homes**

**Community Development Grants Administration
City Hall- 200 E. Wells Street-Room 606
Milwaukee, Wisconsin**

Steven L. Mahan, Director

Narrative for Neighborhood Stabilization Program II (NSP 2)
Proposed Budget Amendments

The City of Milwaukee received \$25 million from the Federal government as a result of the American Reinvestment and Recovery Act (ARRA) of 2009 which was passed in part to provide emergency assistance for the redevelopment of abandoned and foreclosed homes through the **Neighborhood Stabilization Program II (NSP 2)**. At that time, the City of Milwaukee was required to submit an Amendment to its' 2009 Annual Action Plan, detailing the City's use of the NSP 2 funds. The amendment to the Annual Action Plan was subsequently approved by the U.S. Department of Housing & Urban Development in 2010.

The following proposed NSP 2 budget amendment entails the following changes:

As detailed on the following page, the first proposed amendment to the City's original submission entails changes in funding amounts for activity categories already approved by the U.S. Department of Housing and Urban Development. The proposed change is requested to reflect current program activity and projected demand.

As detailed on the following page, the second proposed amendment to the City's funding amounts for activity categories entails shifting additional funds to the Demolition activity, upon approval by the U.S. Department of Housing and Urban Development. The change would be used in part for the demolition of a large, blighting and structurally unsound building that the City has acquired through the tax foreclosure process.

NSP 2 Proposed Budget Amendments

<u>Account #</u>	<u>Activity</u>	<u>Current Budget</u>	<u>New Balance Amend. #2</u>	<u>New Balance Amend. #3</u>
NS220010000A	Homebuyer Assistance	\$1,663,500	\$950,000	\$950,000
NS220030000A	Homebuyer Assistance - 25%	\$300,000	\$275,000	\$275,000
NS220020000A	Homebuyer Assistance - Counseling	\$36,500	\$25,000	\$25,000
			\$0	
NS250010000A	Rental Rehabilitation	\$500,000	\$75,000	\$50,000
NS250020000A	Rental Rehabilitation -25%	\$750,000	\$950,000	\$825,000
			\$0	
NS260010000A	Rental Large Projects	\$1,000,000	\$1,000,000	\$800,000
NS260020000A	Rental Large Projects -25%	\$2,400,000	\$3,350,000	\$3,100,000
NS240010000A	Acquisition/Rehabilitation*	\$5,413,500	\$6,965,819	\$6,665,819
NS240020000A	Acquisition/Rehabilitation - Counseling	\$36,500	\$36,500	\$36,500
NS290010000A	Land Bank	\$1,652,387	\$1,502,387	\$1,402,387
NS290020000A	Land Bank - 25%	\$47,613	\$47,613	\$47,613
NS290032000A	Land Bank - City owned properties	\$300,000	\$300,000	\$300,000
NS230020000A	Vacant Land - New Construction	\$600,000	\$347,103	\$347,103
NS230040000A	Vacant Land - New Construction - 25%	\$2,800,000	\$2,925,578	\$2,925,578
NS291010000A	Leveraged Loan Fund	\$900,000	\$125,000	\$125,000
NS291020000A	Leveraged Loan Fund - 25%	\$600,000	\$125,000	\$125,000
NS280010000A	Demolition	\$2,500,000	\$2,500,000	\$3,500,000
NS240031000A	HACM	\$1,000,000	\$1,000,000	\$1,000,000
	Total	\$22,500,000	\$22,500,000	\$22,500,000