

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR- 5321-C-04]

Notice of Fund Availability (NOFA) for Fiscal Year 2009 Neighborhood Stabilization Program 2 under the American Recovery and Reinvestment Act of 2009; Correction

AGENCY: Office of the Secretary, HUD.

ACTION: Notice of Funding Availability (NOFA) for Fiscal Year (FY) 2009 Neighborhood Stabilization Program 2 (NSP2) under the American Recovery and Reinvestment Act of 2009 (Public Law 111-5)(Recovery Act); correction.

SUMMARY: On May 4, 2009, HUD posted its NSP2 NOFA at www.hud.gov/nsp and announced the availability of the NOFA on May 7, 2009 (74 FR 21377). HUD corrected the NSP2 NOFA by Notices posted on the HUD website on June 11, 2009 and November 9, 2009, and announced by Federal Register publications published on June 17, 2009 (74 FR 28715) and November 16, 2009 (74 FR 58973), respectively. Today's Notice corrects the NSP2 NOFA to permit HUD to specify the deadline date for submission of consortium funding agreements in the transmittal letter for the NSP2 grant agreement, which allows the submission deadline to occur after obligation of grant funds.

FOR FURTHER INFORMATION CONTACT: Stanley Gimont, Director, Office of Block Grant Assistance, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7286, Washington, DC 20410, telephone number 202-708-3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Information Relay Service at 800-877-8339. FAX inquiries may be sent to Mr. Gimont at 202-401-2044. (Except for the "800" number, these telephone numbers are not toll-free.)

SUPPLEMENTARY INFORMATION: On May 4, 2009, HUD posted the NSP2 NOFA

(Docket No. FR-5321-N-01) on its website at www.hud.gov/nsp and announced the availability of the NOFA on May 7, 2009 (74 FR 21377). The NSP2 NOFA announced the availability of approximately \$1.93 billion in competitive grants authorized under the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5, approved February 17, 2009). HUD corrected the NSP2 NOFA by Notices posted on the HUD website on June 11, 2009 and November 9, 2009, and announced the corrections by Federal Register publications published on June 17, 2009 (74 FR 28715) and November 16, 2009 (74 FR 58973), respectively. The purpose of the NSP2 program is to stabilize communities that have suffered from foreclosures and abandonment through the purchase and redevelopment of foreclosed and abandoned homes and residential properties. NSP2 is authorized by the Housing and Economic Recovery Act, Public Law 110-289 (HERA), as amended by Title XII of Division A of the Recovery Act.

SUMMARY OF CORRECTIONS

Timing and Applicability of Requirement for Submission of Consortium Funding

Agreements

Background

The NSP2 NOFA requires that consortium applicants provide a consortium agreement with their initial application and later provide a consortium funding agreement providing greater detail about each member's role in the consortium. These consortium funding agreements must describe the consortium member's specific activities under the NSP2 program, including timetables for completion, and applicable requirements in Appendix 1, Section U.2. of the NOFA.

As a result of HUD's November 9, 2009, correction, the date by which consortium applicants were required to provide consortium funding agreements to HUD was January 29, 2010. Today's Notice extends the deadline for submitting such agreements to HUD to the date

specified by HUD in the transmittal/award letter for the NSP2 grant agreement. HUD will provide selected consortiums with instructions for submitting the consortium funding agreements by January 29, 2010. This extension will permit HUD to establish the deadline for the submission of consortium agreements to occur after obligation of grant funds.

This notice only affects applications for funding that have already been submitted to HUD by consortium applicants. HUD notes that the deadline for applications was July 17, 2009, and, as a result, will not accept new applications for funding. The notice correcting the NSP2 NOFA is available on the HUD website at <http://www.hud.gov/recovery>.

Corrections

1. Section II.A.6., the last sentence is removed and replaced with the following language:

“Second, by the date included in the transmittal letter, the lead member must enter into a separate consortium funding agreement with each member of the consortium and submit each executed consortium funding agreement to HUD.”

2. Section IV.B.4. at page 31 of the NSP2 NOFA is revised by changing the date in the fourth sentence from “January 29, 2010” to “ a date specified by HUD in the transmittal letter.”

3. The text at Section V.A. on page 32 of the NSP2 NOFA is removed and replaced with the following language:

“HUD will make selections from the fundable applications based on ranked order based on ratings scores (after any adjustment for past performance) and funds availability. After HUD makes selections, HUD will notify each selected consortium that the lead applicant has until a date specified in the transmittal letter to enter into a separate consortium funding agreement with each individual consortium member and to submit each executed agreement to HUD. The agreements

must set forth the individual consortium member's responsibilities for carrying out the consortium's NSP2 activities in a timely manner, including the specific activities to be carried out, timetables for completion, and applicable requirements from Appendix 1 to ensure compliance with NSP2 requirements.

"After HUD makes selections, HUD will provide a grant agreement together with any grant conditions to each selected applicant. The applicant shall return the executed grant agreement within 30 days to HUD and return the consortium funding agreements in accordance with the instructions and by the date specified in the award letter. "

Dated: JAN 21 2010



Mercedes M. Márquez
Assistant Secretary for Community
Planning and Development

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