

Public Notice Number: CDNC-2-27-19-NSP2-PI

Notice of Community Stakeholder Meeting on February 27, 2019 at 2PM

Pima County Neighborhood Stabilization Program II (NSP2)

Policy Recommendations for Utilizing Post NSP2 Grant Closeout Program Income Funds

Pima County Housing Center

801 W. Congress St, Tucson, AZ 85745

NOTICE DATE: February 22, 2019

Background: The US Department of Housing and Urban Development (HUD) awarded \$22,165,000.00 in stimulus era Neighborhood Stabilization Program II (NSP2) funds to Pima County. The Community Development & Neighborhood Conservation Department (CDNC) served as the Grantee and lead entity for a consortium of local housing agencies known as the Pima Neighborhood Investment Partnership (PNIP). Pima County has successfully met all HUD requirements to complete the NSP Grant Closeout Process (Citation: 77 FR 70799) in a timely manner, and for some activities, exceeded the metrics identified in the competitive American Recovery and Reinvestment Act (ARRA) funding application.

On September 12, 2018, HUD executed a Neighborhood Stabilization Program Grantee Grant Closeout Certification with Pima County for NSP2. This certifying agreement successfully closes out NSP2 and allows Pima County to continue to conduct eligible grant activities that meet HUD National Objectives utilizing available Program Income. HUD defines Program Income (PI) in 24 CFR 570.504. In short, PI is gross income received by the recipient (i.e. Pima County) or subrecipients (i.e. PNIP consortium members) directly generated from the use of NSP funds. Common examples of NSP2 PI, as they relate to Pima County include the following:

Proceeds from the sale of properties acquired and/or improved with grant funds;

Recapture of NSP subsidies if an assisted home is sold before the end of the affordability period; and,

Gross income from the use or rental of real property constructed or improved with NSP funds, less reserves and operating expenses.

Post Grant Closeout, HUD recommends NSP grantees utilize available Program Income either to conduct additional grant activities, or convert the funds to Community Development Block Grant funds (CDBG). To date, Pima County has reported over \$700,000 in available NSP2 PI funds and seeks community input regarding Post Grant Closeout policy recommendations to make the funds available for the development of additional affordable housing or community development activities.

You may download a copy of this Notice, and any additional materials Feb, 22, 2019 at the following website address/link:

<http://webcms.pima.gov/cms/one.aspx?portalId=169&pageId=24903>

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