HOMEOWNERSHIP & PRESERVATION DIVISION – NEIGHBORHOOD STABILIZATION PROGRAM
Los Angeles Housing Department
LAHD
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REVISED NOTICE
CITY OF LOS ANGELES
NOTICE OF SUBSTANTIAL AMENDMENT
TO THE NEIGHBORHOOD STABILIZATION PROGRAM 2 (NSP2) PLAN
AND PUBLIC COMMENT PERIOD

Residents of the City of Los Angeles (City) are advised about the availability of the draft Substantial Amendment to the Neighborhood Stabilization Program 2 (NSP2) Action Plan. The Los Angeles Housing Department (LAHD) seeks to substantially amend its NSP2 application to increase the eligible target areas for NSP2 funding by adding one census tract in the Cypress Park neighborhood of Northeast Los Angeles.

Created by the American Recovery and Reinvestment Act (ARRA) of 2009, the City was awarded $100,000,000 in NSP funds through a competitive application process. The funds are used to acquire, rehabilitate, and re-sell foreclosed properties to assist persons or households with annual income at or below 120 percent of the area median income. In the approved NSP2 application and amendments thereafter, as a result of the data, mapping, and foreclosure activity analysis, the LAHD selected a total of 165 Census Tracts for the NSP2 target areas. All the Block Groups that comprised the NSP2 target areas had a foreclosure related index of 18 or above and met the required income restrictions, which resulted in an average foreclosure index of 18.80 in the approved NSP2 application.

Through this amendment process, the LAHD seeks to add one Census Tract, No. 06037187100, bringing the total Census Tracts to 166. The resulting average foreclosure index, upon approval of this amendment for the LAHD NSP2 Plan, will be **18.78** out of a possible 20. LAHD seeks to add this target area in order to acquire defaulted and abandoned properties for rehabilitation as affordable rental housing. NSP funds will leverage other public investment to reduce the inventory of abandoned and nuisance properties and create long-term affordable housing units.

This *Notice of Substantial Amendment to the Neighborhood Stabilization Program 2 Plan* includes all information that comprises the Substantial Amendment. As stated above, the only changes being proposed are: (1) one additional census tract No. 06037187100 to be added to the eligible target area of the NSP2 grant, and (2) the addition of the census tract will result in the average foreclosure index of the City's NSP2 target areas to be **18.78**, rather than 18.80 out of a possible 20. There are no other changes proposed to the NSP2, and that is why the entire amended NSP2 document is not being posted for review.

The City is requesting public input on this document. Written comments or questions on *the proposed Substantial Amendment* will be accepted during the comment period through July 9, 2012. Comments can be sent by mail to the attention of Sally Richman, Los Angeles Housing Department, 1200 W. 7th Street, 9th Floor, Los Angeles, CA 90017, or by fax to (213) 808-8404, or by email to sally.richman@lacity.org