

City of Muncie
Community Development Department

NSP3

Neighborhood Stabilization Program 3



Eligible Uses

- Five possible eligible uses - can combine uses in a project
 - Use #1: Financing mechanisms for purchase and redevelopment of **foreclosed** upon **homes and residential properties**.
 - Use #2: Purchase and rehabilitate **homes and residential properties** that have been **abandoned or foreclosed** upon, in order to sell, rent, or redevelop such homes and properties.



Eligible Uses (continued)

- Use #3: Land banks for **homes** and **residential properties** that have been **foreclosed** upon
 - Must operate in specific defined area
 - 10-year reuse plan (i.e., must meet national objective)
- Use #4: Demolish **blighted** structures
 - Can use only 10% of funds unless more is authorized
- Use #5: Redevelop **demolished** or **vacant** properties
 - All must be related to housing
- Ineligible: Foreclosure prevention; Demolition of non-blighted structures; Acquisition of property or structures that are not abandoned, foreclosed or vacant.



Property Types

- Only three possible property types can be acquired or rehabbed under NSP:
 - **Foreclosed:**
 - 60 days delinquent under Mortgage Bankers of America delinquency calculations and owner notified
 - Property owner 90 days or more delinquent on tax payments
 - Foreclosure proceedings initiated or completed
 - Foreclosure proceedings complete, title transferred to intermediary that is NOT an NSP grantee, sub, contractor, developer, or end user



Property Types (continued)

- **Abandoned:**

- Mortgage/tax/tribal leasehold no payments 90 days
- Code inspection determines not habitable and no corrective action within 90 days
- Subject to court-ordered receivership/nuisance abatement or state definition of abandoned

- **Vacant:**

- Unoccupied structures or vacant land that was once developed



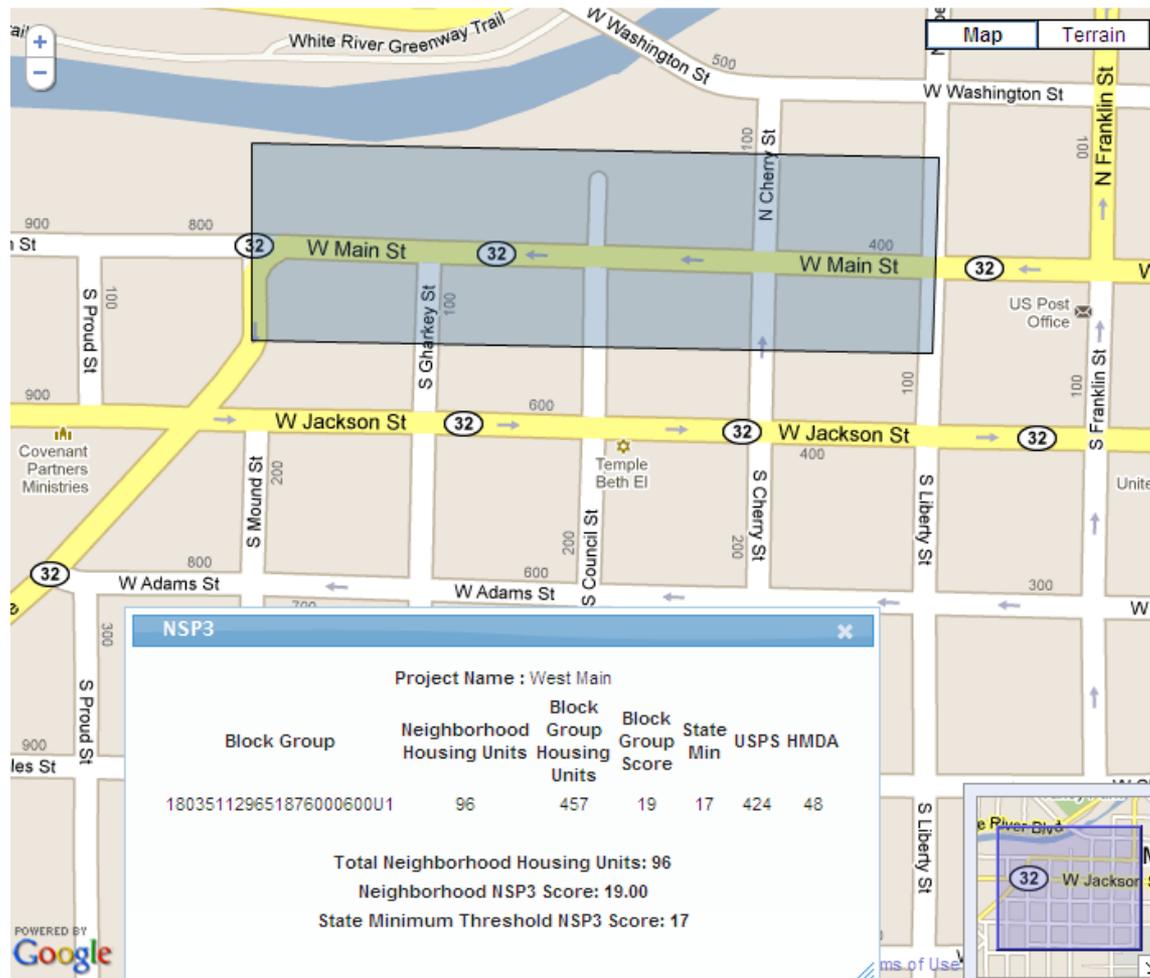
Proposed Budget

- **Total Grant: \$1,148,363**
 - Administration: \$114,836 (10%)
 - Use #2 (Purchase and rehabilitate **homes and residential properties** that have been **abandoned or foreclosed** upon, in order to sell, rent, or redevelop such homes and properties.): \$953,527
 - Use #5 (Redevelop **demolished or vacant** properties): \$80,000 + partnership with Habitat for Humanity



NSP 3 – HUD Mapping Tool

- West Main St. – Liberty to Kilgore



West Main St. – Liberty to Kilgore

- Neighborhood NSP3 Score: 19
 - State Minimum Threshold NSP3 Score: 17
 - Total Housing Units in the Neighborhood: 39
 - USPS Residential Addresses in Neighborhood: 36
 - Residential Addresses Vacant 90 or more days (USPS, Mar. 2010): 10
 - Residential Addresses NoStat (USPS, Mar. 2010): 1
- Area Benefit Eligibility
 - Population Less than 120% AMI: 86.6%
 - Population Less than 80% AMI: 72.2%

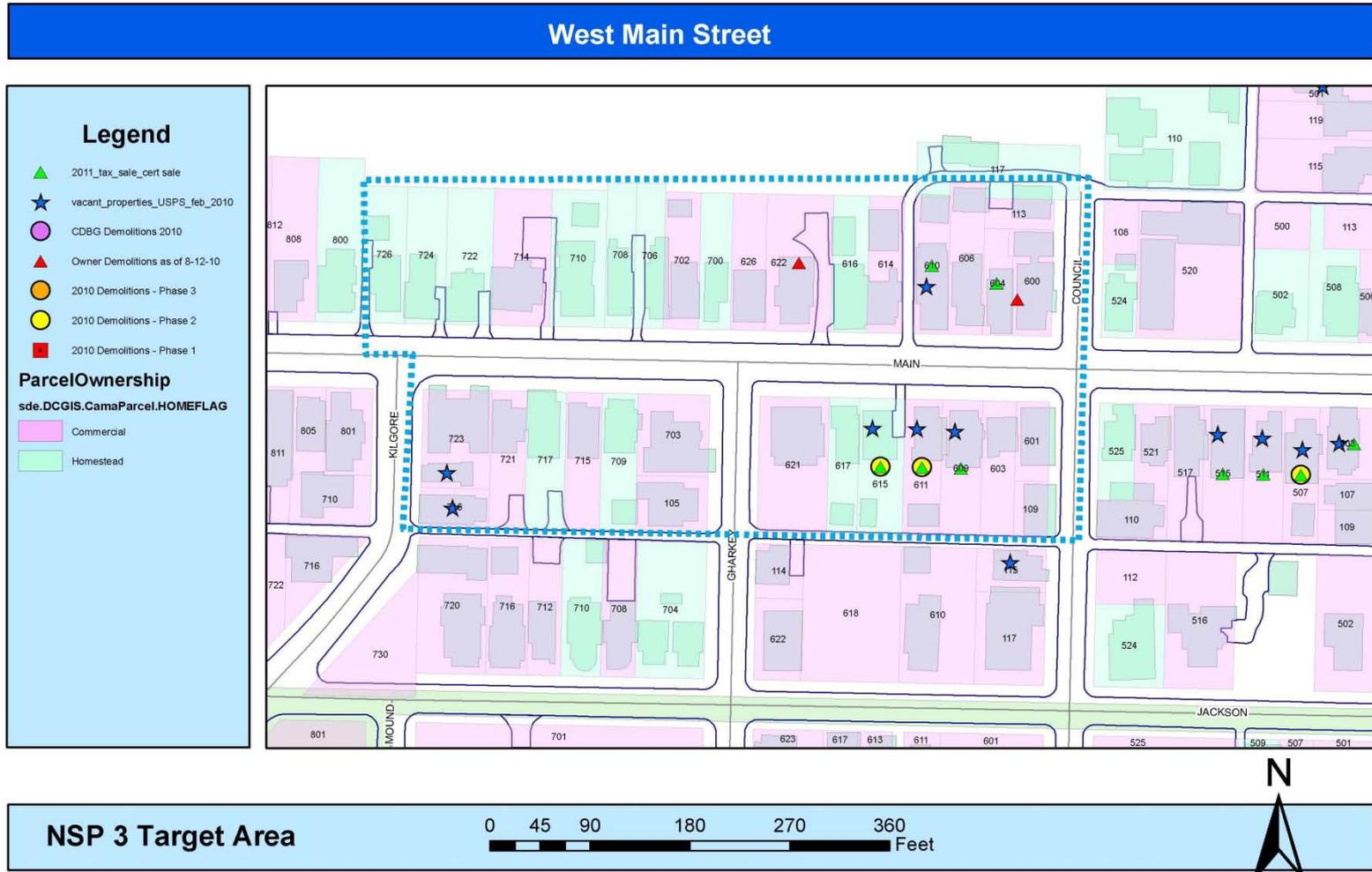


West Main St. – Liberty to Kilgore

- Total Housing Units to receive a mortgage between 2004-2007: 4
- Housing Units with a high cost mortgage between 2004-2007: **52.7%**
- Housing Units 90 or more days delinquent or in foreclosure: **11.7%**
- Metropolitan Area percent fall in home value since peak: **-13.7%**
- County unemployment rate June 2005: **6.6%**
County unemployment rate June 2010: **11%**
- **Market Analysis:**
 - Persistent Unemployment: serious consideration should be given to a rental strategy
 - Persistent High Vacancy: a demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered



NSP 3 Target Area



NSP 3 Eligible Properties



NSP 3 Eligible Properties (continued)



606 W. Main



610 W. Main



703 W. Main



723 W. Main

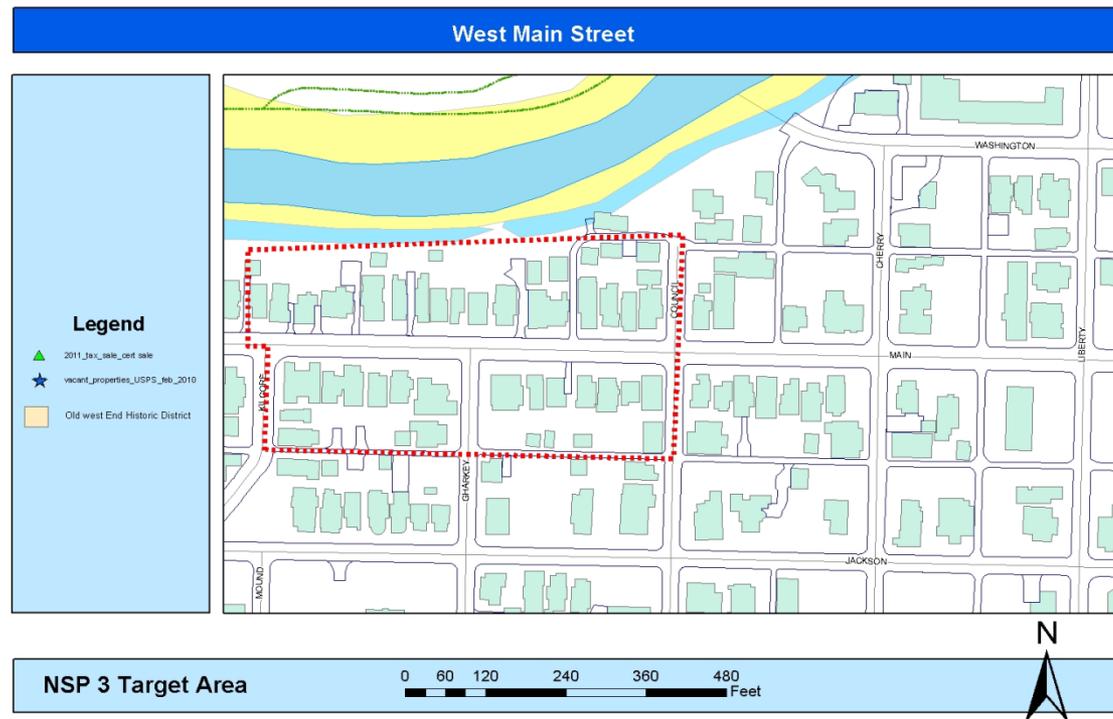
February 3rd Neighborhood Meeting

- Priorities
 - Off-street parking
 - Sidewalk/street improvements (removal of utility poles & lines)
 - MHODC to rehab for homeownership
 - Green space & urban gardens
 - Development of river bank
 - Address burnt Council St. apartment building
 - Grocery store
 - Demolish 723 W. Main
 - Possible ecoREHAB purchase/rehab



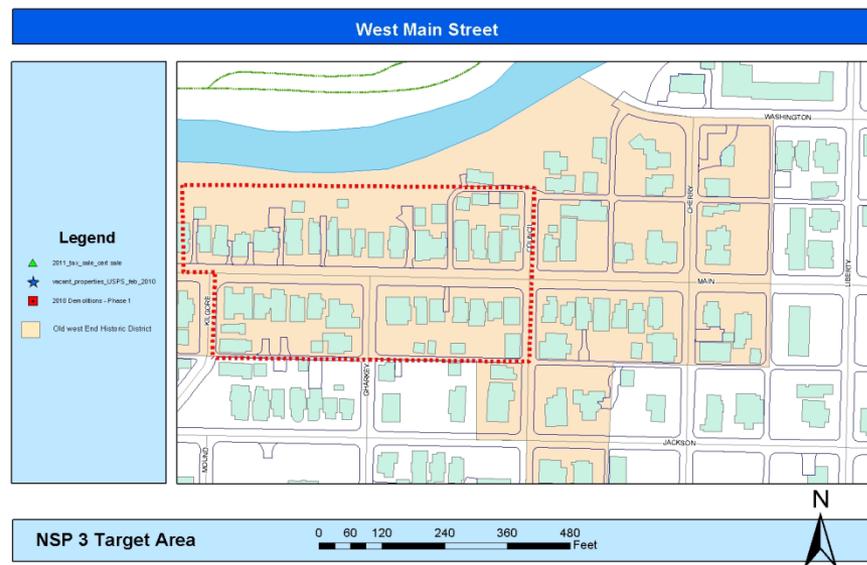
Environmental Review

- National Environmental Policy Act (NEPA)
 - Produce Environmental Review Record (ERR)
 - Will be available for public comment



Section 106 Review

- National Historic Preservation Act
 - Target area is in the Old West End Historic District & is listed on the National Register of Historic Places
 - We will perform the Section 106 Review under a programmatic agreement with the State Historic Preservation Office
 - The goal is to avoid, minimize, or mitigate adverse affects to historic properties



How to Comment on the Action Plan

Deadline to Comment is Feb. 28

- To find the Action Plan, please visit the Community Development Department's website after Feb. 11th:
<http://www.cityofmuncie.com/index/City-Muncie-Departments/Community-Development/cddocs.asp>
- For questions or comments on the Action Plan please email communitydev@cityofmuncie.com or call 765-747-4825 or send mail to Community Development, 300 N. High St., Muncie, IN 47305 or visit our Facebook page at <http://www.facebook.com/#!/pages/City-of-Muncie-Community-Development-Department/181767111863754>
- Questions concerning the Section 106 process or environmental review please contact Bill Morgan bmorgan@cityofmuncie.com or 765-747-4825

