

CITY OF POMONA



2008-2009 ANNUAL ACTION PLAN SUBSTANTIAL AMENDMENT

FOR

THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP)

Final Amendment #3 as of March 1, 2010

TABLE OF CONTENTS

I.	Introduction.....	1
II.	Overview.....	1
III.	Program Targeting.....	2
IV.	Area of Greatest Need.....	3
V.	Geographic Target	4
VI.	Distribution and Uses of Funds.....	4
VII.	Definitions and Descriptions.....	6
VIII.	Low-Income Targeting.....	8
IX.	Acquisition/Relocation.....	9
X.	Public Comments.....	10
XI.	NSP Information by Activity.....	11

Exhibit A – Map of High Priority Areas

Exhibit B – SF 424 and Certifications

Exhibit C – NSP Substantial Amendment Checklist

Exhibit D – Citizen Participation: Proof of Publication & Posting to Website



THE CITY OF POMONA

NEIGHBORHOOD STABILIZATION PROGRAM (NSP)

PROGRAM SUMMARY

INTRODUCTION

The foreclosure crisis and the general downturn in the United States economy is having a number of generally adverse impacts on the nation. Recent newspaper stories and almost constant television news coverage provide confirmation of this. The City of Pomona has not been immune from the adverse impact of these events.

In coordination with a citywide strategy to address foreclosure activity, the City of Pomona will implement a Neighborhood Stabilization Program (NSP). The following plan constitutes the City of Pomona's application to the U.S. Department of Housing and Urban Development (HUD) for the use of its allocation of Neighborhood Stabilization Program funds.

OVERVIEW

In July 2008, the U.S. Congress adopted the Housing and Economic Recovery Act of 2008, appropriating \$3.8 billion to address foreclosed and/or abandoned housing units. Through the U.S. Department of Housing and Urban Development (HUD), the City of Pomona will receive \$3,530,825 of these funds, now known as the Neighborhood Stabilization Program (NSP) grants. It is required by HUD that the City commit these funds within an 18-month period. The clock begins upon approval of the City's NSP plan by the HUD.

NSP funds may be used for the acquisition and rehabilitation of foreclosed, abandoned units; acquisition and demolition of foreclosed, abandoned units that are beyond reasonable repair; and further allows for new construction on building sites acquired in this manner. These funds may also be used in financing mechanisms for down payment assistance programs. The grant also requires that 25% of these funds must be used to assist very low income households (households earning below 50% of the area median income). The balance of the NSP funds may be used to assist households earning up to 120% of area median income. For a family of four in Pomona, that limit is \$90,950 annually.

The units acquired may be sold or rented to income-eligible homebuyers at affordable rates, which means that for renters, the total housing costs do not exceed 30% of the household's monthly income, and for owners, the total housing costs do not exceed 35% of the household's monthly income.

The City of Pomona will use NSP funds for four primary activities, plus administration: