

Fact Sheet

Topic/Issue:	HUD Neighborhood Stabilization Program
General Statement:	U.S. Department of Housing and Urban Development's new Neighborhood Stabilization Program (NSP) provides funds to every state and certain local communities to acquire foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes.
Facts:	<p>The City of Chandler has been allocated \$2,415,100 for the Neighborhood Stabilization Program: After analyzing foreclosure trends and code complaints, funds will be targeted in the 85225 zip codes. The following strategies will be implemented utilizing NSP dollars:</p> <p><u>1. Development of a Chandler Community Land Trust (CCLT)</u> – The amount of \$1,468,500 will be used to purchase and sell up to 17 formerly vacant, foreclosed single-family homes to income qualified homeowners, by leasing the land owned by the Land Trust to homeowners who buy only the structure that is on the land. With this program, the costs of the purchase are reduced, the owner shares the equity in the home with the Land Trust, and the home, as part of the Land Trust, <i>remains affordable indefinitely.</i></p> <p><u>2. Creation of permanent affordable rental housing for homeless families</u> – Approximately \$605,100 will be used to purchase and rehabilitate up to four vacant, foreclosed multifamily properties and rent them to income-qualified families. The families will be selected, evaluated and monitored by the partnering non-profit for their suitability for the program.</p> <p><u>3. Down Payment Assistance</u> – Approximately \$100,000 will be used to assist qualified potential homebuyers with down payment assistance. This will be secured with a ten-year forgivable lien on the purchased property. The partnering non-profit will qualify, educate and monitor the new homeowners.</p> <p>The City of Chandler's goal is to work with HUD to stabilize neighborhoods affected by abandoned and foreclosed homes.</p> <p>All activities funded by NSP must benefit low and moderate-income persons whose income does not exceed 120 percent of area median income.</p>
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