

NOTICE OF PUBLIC COMMENT PERIOD

The State of Oregon is seeking public comment on the:

SECOND AMENDMENT

to the

2010-2013 Neighborhood Stabilization Program (NSP-2) ACTION PLAN

Date of Publication: January 26, 2010

PROPOSED MINOR EXPANSION OF NEIGHBORHOOD STABILIZATION PROGRAM (NSP-2) TARGET AREA

Neighborhood Stabilization Program 2 (NSP-2) funds were awarded by the U.S. Department of Housing and Urban Development (HUD) to Oregon Housing and Community Services (OHCS) and five other communities including Clackamas County, Washington County, the City of Bend, the City of Medford and the City of Salem in January of 2010 (The "Consortium Members"). The execution date of the grant agreement between OHCS and HUD is February 11, 2010. The allocation and planned use of NSP-2 funds is described in the NSP-2 Action Plan. The current NSP-2 Action Plan may be viewed at the following web address:

http://www.ohcs.oregon.gov/OHCS/SFF_Neighborhood_Stabilization_NSP2_Oregon_Program.shtml

Oregon Housing and Community Services (OHCS) and the Consortium Members are proposing to amend the Oregon Neighborhood Stabilization Program 2 (NSP-2) Action Plan. The proposed amendment will include the following changes to the NSP-2 Action Plan:

Project Description:

The Housing Authority of Jackson County (HAJC), Oregon is proposing to use NSP-2 funds to purchase two parcels of land in the City of Medford, Oregon. The first parcel is located at 820 West 11th Street, includes five (5) condominium units and is within the NSP-2 target area. The second parcel is located at 717 West 11th Street includes six (6) condominium units and is located just outside the target directly across the street to the south and about 400 feet east of the first parcel. Both parcels are owned by one bank. HAJC intends to purchase all eleven (11) condominiums for the purpose of providing low income rental housing. A map showing the location of both parcels may be viewed at: http://www.ohcs.oregon.gov/OHCS/SFF_Neighborhood_Stabilization_NSP_Oregon_Program.shtml. The green shaded area on the map represents the current eligible target area.

To enable HAJC to purchase these two parcels with NSP-2 funds, Oregon Housing and Community Services (OHCS) is proposing to amend its NSP-2 Action Plan to add the parcel located at 717 West 11th Street to the NSP-2 eligible target area. OHCS has determined that this project serves several intended purposes of NSP-2 including, stabilization of the neighborhood through the acquisition of eleven foreclosed condominiums located in close proximity, affordable housing for low income households,

leveraging of other public funding for supportive housing services and meeting the requirement to utilize NSP funds for the purpose of serving low income households. The attached map shows the current NSP-2 eligible target area and proposed addition of the parcel located at 717 West 11th Street.

OHCS has also completed an analysis of this proposed amendment as it pertains to the original NSP-2 application and program requirements as specified by HUD in the funding notice published May 4, 2009 (FR-5321-N-01). This amendment is consistent with the application review criteria factors as follows:

Factor 1) Target Geography –The census tract where the parcel to be added is located, has a vacancy score of 16 and a foreclosure score of 14 and when added to the original target area, the overall score is 17.98 or within .02 of a score of 18 which is the threshold minimum score for meeting NSP target area. Note however that the intention of this amendment is to include only the parcel at 717 West 11th Street and not the entire census tract where it is located. Therefore, if the formula for calculating the target area did not require inclusion of the entire census tract, it is mathematically improbable that the average score would have changed from 18 and would have been reduced by any amount. As a result, this amendment of the NSP target area geography will not dilute the impact of the NSP investment. The market conditions and demand factors will remain the same as in the original target geography given that the additional parcel proposed in this amendment is across the street from the original target area. A map of the proposed minor expansion of the NSP-2 Target Area may be viewed at:

http://www.ohcs.oregon.gov/OHCS/SFF_Neighborhood_Stabilization_NSP2_Oregon_Program.shtml

Factor 2) Past Experience – This project will be administered by the City of Medford who is the original Consortium Member and has the capacity to administer the activity described in this amendment.

Factor 3) Soundness of Approach – The approach remains as proposed in the original application and is consistent with the goal of providing permanent supportive housing for low income households. The units to be acquired under this activity are newly constructed foreclosed and vacant condominiums that have never been occupied. By enabling the subrecipient to acquire all eleven units (e.g. five units inside the target area and six units across the street from the target area) as one package the cost per unit of the acquisition will be discounted by as much as 15%. As a result, the ability to purchase and subsequently lease up this many housing units under one project will significantly stabilize the neighborhood.

Factor 4) Leveraging – The proposed amendment is consistent with the original plan for leveraging local affordable housing resources.

Factor 5) Energy Efficiency - The proposed project will have several green or smart growth attributes including, within two to four blocks from transit stops, schools, a grocery store and ten blocks from downtown where employment and other services are

accessible. The housing units are newly constructed and conform to local building code standards.

Factor 6) Neighborhood Transformation – The project proposed in this amendment involves the acquisition of existing new rental housing units that will provide permanent supportive housing for low income households to become occupied thereby increasing the stability of the neighborhood.

Oregon encourages comments from low, moderate, and middle income citizens (particularly those living in specific targeted areas where NSP funds are proposed to be used) as well as minorities and non-English speaking persons and persons with disabilities. Program information is available in alternative languages and formats upon request.

Written comments on the proposed second amendment to the 2010 NSP-2 Action Plan will be received until 5:00 pm on Monday February 7, 2011. Comments can be forwarded to Rich Malloy, Oregon Housing and Community Services, 725 Summer St. NE Suite "B", Salem, OR 97301 or by e-mail at Rich.malloy@hcs.state.or.us.