



## Request for City Council Committee Action from the Department of Intergovernmental Relations

Date: March 23, 2009

To: Council Member Paul Ostrow, Chair, Ways & Means/Budget Committee

Subject: Neighborhood Stabilization Program (NSP) Grant Award and Appropriations

### Recommendation:

1. Accept Neighborhood Stabilization Program Grant Award in the amount of \$5,601,967 from the U.S. Department of Housing and Urban Development (HUD)
2. Authorize City officials to sign any necessary award documents
3. Increase the 2009 Operating Budget revenue for the 01400 Fund by \$14,003,239
4. Increase the 2009 Operating Budget appropriations for the following respective agencies:
  - Community Planning and Economic Development by \$12,023,239
  - Regulatory Services by \$1,700,000
  - Finance Department agency by \$140,000
  - Intergovernmental Relations by \$140,000

### Previous Directives:

November 21, 2008- Authorized application for HUD NSP funds in the amount of \$5,601,967

### Department Information

Prepared by: Matt Bower, Project Coordinator, IGR/Office of Grants & Special Projects
Approved by: Gene Ranieri, IGR Director_____
Presenters in Committee: Cherie Shoquist, Principal Project Coordinator-Foreclosures, CPED

### Financial Impact *(delete all lines not applicable to your request)*

- Action requires an appropriation increase to the Capital Budget or Operating Budget
  - Dept Name: Community Planning and Economic Development
  - Fund Name: 01400-8900000
  - Amount: \$12,023,239
  
  - Dept Name: Regulatory Services
  - Fund Name: 01400-8350000
  - Amount: \$1,700,000

Dept Name: Finance  
Fund Name: 01400-8200000  
Amount: \$140,000

Dept Name: Intergovernmental Relations  
Fund Name: 01400-8410000  
Amount: \$140,000

- Action provides increased revenue for appropriation increase  
Dept Name: Non-Departmental  
Fund Name: 01400-1230000  
Amount: \$14,003,239

### **Community Impact**

- Neighborhood Notification
- City Goals
- Comprehensive Plan
- Zoning Code
- Other- Funding appropriations and expenditures will be reported through the HUD Consolidated Plan and NSP reporting platforms.

### **Supporting Information**

**The City of Minneapolis has been awarded the following federal Neighborhood Stabilization Program (NSP) funds totaling \$14,003,239 from our federal and state partners:**

**HUD                    \$5,601,967**

**MN Housing \$8,401,272**

**The MN Housing award acceptance is being taken care of through a separate report this council cycle from CPED. This letter requests appropriation actions for both the federal and state NSP awards made available to the City.**

**These funds will support the City's efforts at mitigating the negative impacts of concentrated foreclosures in city neighborhoods. Funding from the HUD will support purchase/rehab, redevelopment, land banking and demolition of foreclosed and abandoned housing. MN Housing funds, which are federal pass-through funds from the State's HUD NSP award, will support purchase/rehab, redevelopment and land banking activities of foreclosed and abandoned housing.**

**Staff requests authority to increase departmental appropriations to reflect receipt of these funds and to execute any necessary award documents to receive the funding.**