

**FIRST AMENDMENT TO THE CLARK COUNTY  
NEIGHBORHOOD STABILIZATION PROGRAM (NSP)  
SUBSTANTIAL AMENDMENT  
OF THE FY 2008 HUD ACTION PLAN**

Clark County is proposing to amend its Neighborhood Stabilization Program (NSP) for both Federal and State NSP funding. Clark County proposes to move the following funds:

- \$400,000 in Federal NSP funds from Housing Counseling
- \$75,000 in Federal NSP funds from Demolition
- \$559,439 in State NSP funds from Administration

These funds are proposed to be reallocated to the NSP-eligible use activity Redevelopment for the construction of a 16-unit multifamily housing development on a vacant in-fill parcel in Clark County. Clark County will provide NSP funds to assist St. Jude's Ranch with land acquisition and construction costs of this proposed project. The proposed site is located between Tropicana Avenue and Reno Ave on MacLeod Drive.

Combined with the existing \$420,000 in Federal NSP funds already allocated for Redevelopment and an additional \$500,000 in State NSP funds that the County expects to receive, the total that will be available for NSP Redevelopment activity is \$1,954,439.

## **ACTIVITY 6**

(1) Activity Name: **Redevelopment**

(2) Activity Type:

**NSP Eligible Use: Redevelopment (HERA 2301(c)(3)(E))**

**Eligible Activity: Acquisition (24CFR 570.201)  
Construction of Housing (24CFR 570.201)**

(3) National Objective:

**24 CFR 570.208(a)(2) Limited clientele activity benefiting low-income persons**

(4) Projected Start Date: **May 2010**

(5) Projected End Date: **December 2011**

(6) Responsible Organization:

**Clark County Community Resources Management Division  
500 S. Grand Central Parkway, PO Box 551212  
Las Vegas, NV 89155-1212  
702-455-5025  
Michael J. Pawlak, Manager**

(7) Location Description: **Parcel # 16225103002 located between Tropicana Avenue and Reno Avenue on McLeod Drive**

(8) Activity Description:

**This activity will provide for the redevelopment of a vacant parcel. St. Jude's Ranch proposes to construct St. Jude's Crossings, a 16-unit multifamily rental housing development for at-risk youth aged 18-25, including 1 resident manager unit. Along with the new, quality affordable housing, supportive services will be provided to help these young adults with job training, education and life skills so that they can become stable, self-sufficient members of the community.**

**The 1-acre proposed site is located on McLeod Drive between Tropicana Avenue and Reno Avenue in the unincorporated County. This location is central, near UNLV and provides access to major transit corridors so that these young adults will have transportation to work and/or school. The development will also provide 1,500 square feet of community space that will include a large social and meeting room with a full kitchen, a computer room, an office, and a conference room. The structure is anticipated to include approximately 10,000 square feet, with each residential unit**

measuring 500 square feet. Building Hope Nevada (BHN), a local non-profit, will act as the design-development partner for this project.

St. Jude's Ranch is awaiting notification from HUD as to whether they have received an \$800,000 Continuum of Care Supportive Housing Program (SHP) grant to help cover the costs of construction. SHP will also provide two years of funding for rental assistance and supportive services. Total project costs are estimated at \$2.7 million with approximately \$1.9 million coming from state and federal Neighborhood Stabilization Program funds.

Any properties redeveloped as residential housing with NSP funds will meet the continued affordability requirements established by the County for the NSP Program. The minimum requirements will be in accordance with the HOME Program standards at 24 CFR 92.254 for homeownership housing or, for rental housing, in accordance with the HOME Program standards at 24 CFR 92.252 (a), (c), (e) and (f).

(9) Total Budget:

**\$895,000 in federal NSP funds for the redevelopment of vacant property as multifamily housing.**

(10) Performance Measures:

**Redevelopment of vacant property into multifamily housing will support continued development of this neighborhood, where the land use plan calls for the area to develop as a Residential Urban Village.**

## *EXHIBIT A*

### *NSP INFORMATION BY ACTIVITY*

#### *Clark County*

##### *Activity 1*

(1) Activity Name:

NSP Purchase and Rehabilitation of Single-Family Housing (state funds in support of Clark County program).

(2) Activity Type:

Purchase and rehabilitate homes and residential properties that have been abandoned/vacant or foreclosed upon, in order to sell, rent or redevelop such homes and properties as allowed in HERA 2301(c)(3)(b) and 24 CFR 570.201(a) and 570.202.

(3) National Objective:

24 CFR 570.208(c) Housing assisted with NSP funds will provide permanent housing to low-, moderate-, and middle-income persons.

(4) Activity Description:

The purpose of the program is to acquire and rehabilitate foreclosed and abandoned homes in heavily impacted neighborhoods and resell them to program-eligible owner-occupants. Using NSP funds (and other lines of credit as available) non-profit organizations selected by the County through a competitive RFP/Q process purchase foreclosed or abandoned homes and rehabilitate them to County housing standards. Homes may be purchased individually or through a bank sale. Upon completion of rehabilitation, homes are marketed to eligible buyers either for sale or transferred to rental program activity.

(5) Location Description:

Eligible census tracts outlined within the Clark County NSP plan and identified in the “Areas of Greatest Need” section of the Clark County NSP plan.

(6) Performance Measures:

Acquisition and rehabilitation for resale will help to stabilize property conditions and values in our target neighborhoods by rehabilitating and modernizing older housing stock and then assisting families to purchase and occupy vacant properties. Rehabilitation will incorporate energy efficiency and conservation measures that will reduce household utility costs thereby providing more disposable income to the new owners. This new investment into the target areas should encourage other families to purchase and/or rehabilitate homes in the area. These resale

purchases will be undertaken using traditional 30-year, fixed rate loan products, thereby stopping the cycle of foreclosures that have resulted from exotic loan products. The influx of new families into the target areas will help to maintain local retail services that are struggling in the current economy and to help stabilize school enrollment. 50 households with income at 120% AMI or lower will be assisted to purchase or rent rehabilitated abandoned/vacant or foreclosed homes. An additional 200 households may be assisted as the program income is reused for this activity.

(7) Total Budget: (Include public and private components)

\$2,187,564 in State NSP monies (inclusive of \$2 million in State NSP Pilot Project funds)  
\$7,069,890 in Federal NSP monies to Clark County.

(8) Responsible Organization:

Clark County Community Resources Management Division  
500 S. Grand Central Pkwy, POB 551212  
Las Vegas, NV 89155-1212  
702-455-5025  
Michael J. Pawlak, Manager

Clark County will administer the revolving loan fund and will select development partners through a competitive request for proposals.

(9) Projected Start Date:

March 2009.

(10) Projected End Date:

September 2010 – activity will continue with any program income.

(11) Specific Activity Requirements:

All properties acquired under this activity will have a purchase discount of at least 1% less than current market appraised value. The discounted price shall be supported by an appraisal meeting the requirements of the NSP notice.

It is estimated that the average discounted cost for these properties will be \$185,000.00.

***NSP INFORMATION BY ACTIVITY***

*Clark County*

*Activity 2*

(1) Activity Name:

NSP Acquisition and Rehabilitation for Rental Housing.

(2) Activity Type:

Purchase and rehabilitate homes and residential properties that have been abandoned/vacant or foreclosed upon, in order to sell, rent or redevelop such homes and properties as allowed in HERA 2301(e)(3)(b) and 24 CFR 570.201(a) and 570.202.

(3) National Objective:

24 CFR 570.208(a)(2) Limited clientele activity benefiting low and moderate income persons (up to 120% AMI permitted under NSP).

(4) Activity Description:

The purpose of this program is to purchase and rehabilitate foreclosed or abandoned rental housing to primarily benefit households at or below 50% of area median income. The County will use NSP funds to assist the Southern Nevada Regional Housing Authority (SNRHA) (previously the Housing Authority of Clark County) to strategically purchase and rehabilitate foreclosed or abandoned rental properties in eligible target communities to add to its existing portfolio of scattered site rental housing.

The County assistance would be in the form of a grant and/or subordinated mortgage. The County would, whenever practical, leverage these investments with other sources of financing. This would be the County's primary NSP program for benefiting households at or below 50% of area median income. Agreements and deed restrictions would be recorded to ensure long-term affordability (minimum per HOME Program requirements).

The purchase of these units will be strategically undertaken in cooperation with the County throughout the eligible census tracts to effectively support other NSP activities and to promote neighborhood stabilization. Subject to approval by the SNRHA's Board of Directors, the SNRHA is to be the County's primary partner for this activity. SNRHA and other selected nonprofits will own, operate, and manage these NSP properties. The tenure of the beneficiaries will be rental and individual leases must be for at least one year. As currently interpreted, NSP considers rental revenue in excess of the cost of operating and maintaining the unit to be program income and must be returned to the County.

All properties acquired under this activity must meet the required purchase discount of 5% less than current market appraised value, and must be as high as required to keep the total NSP

portfolio within the required purchase discount level of 15%. As program income is received from other NSP activities, neighborhood stabilization through rental activity may be expanded as funds permit.

(5) Location Description:

Eligible census tracts outlined within the Clark County NSP plan and identified in the “Areas of Greatest Need” section of the Clark County NSP plan.

(6) Performance Measures:

Acquisition and rehabilitation for rental will help to stabilize property conditions and values in our target neighborhoods by rehabilitating the housing stock and renting those units to qualifying families. This new investment into the target areas should encourage other families to purchase and/or rehabilitate homes in the area. These formerly vacant properties will no longer be an enticement to vandals and thieves. The participating non-profit owner will maintain these units long-term. The influx of new families into the target areas will help to maintain local retail services that are struggling in the current economy. 69 units of housing to be acquired, rehabilitated (minor), and rented to households that are below 50% of median family income.

(7) Total Budget:

\$2,207,265 in Federal NSP funds and \$5,309,727 in State NSP for the SNRHA to purchase, rehab and rent foreclosed or abandoned properties. It is estimated that the average discounted cost for these properties will be \$160,000. This budget includes purchase of home, closing costs, minor rehab costs, carrying costs and project delivery costs directly attributable to a specific address.

(8) Responsible Organization:

Clark County Community Resources Management Division  
500 S. Grand Central Parkway, PO Box 551212  
Las Vegas, NV 89155-1212  
702-455-5025  
Michael J. Pawlak, Manager

Southern Nevada Regional Housing Authority  
5390 E. Flamingo Road  
Las Vegas, NV 89122  
702-451-8041  
Carl O. Rowe, Interim Executive Director

(9) Projected Start Date:

March 2009.

(10) Projected End Date:

September 2010 – activity will continue with any program income.

***NSP INFORMATION BY ACTIVITY***  
*Clark County*

***Activity 3 (Amended)***

(1) Activity Name:

Grant Administration.

(2) Activity Type:

NSP eligible use: Administration & Planning (HERA 2301(c)(3)).

CDBG Eligible Activity: Administration & Planning (24 CFR 570.205 and .206).

(3) National Objective:

Grant Administration and Planning.

(4) Activity Description:

Planning, administration and on-going oversight of program activities.

(5) Location Description:

N/A

(6) Performance Measures:

N/A

(7) Total Budget: (Include public and private components)

\$93,745 (North Las Vegas)

\$0 (Clark County)

(8) Responsible Organization:

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500 S. Grand Central Parkway, PO Box 551212  
Las Vegas, NV 89155-1212  
702-455-5025  
Michael J. Pawlak, Manager

(9) Projected Start Date:

March 1, 2009.

(10) Projected End Date:

September 2010 –administration of the grant funded activities.

(11) Specific Activity Requirements:

Clark County has moved its NSP administration funds into the redevelopment activity.

***Activity 4 (Amended)***

(1) Activity Name: Redevelopment

(2) Activity Type:

NSP Eligible Use: Redevelopment (HERA 2301(c)(3)(E))

Eligible Activity: Acquisition (24 CFR 570.201)  
Construction of Housing (24 CFR 570.201)

(3) National Objective:

24 CFR 570.208(a)(2) Limited clientele activity benefiting low-income persons

(4) Projected Start Date: May 2010

(5) Projected End Date: December 2011

(6) Responsible Organization:

Clark County Community Resources Management Division  
500 S. Grand Central Parkway, PO Box 551212  
Las Vegas, NV 89155-1212  
702-455-5025  
Michael J. Pawlak, Manager

(7) Location Description: Parcel # 16225103002 located between Tropicana Avenue and Reno Avenue on McLeod Drive

(8) Activity Description:

This activity will provide for the redevelopment of a vacant parcel. St. Jude's Ranch proposes to construct St. Jude's Crossings, a 16-unit multifamily rental housing development for at-risk youth aged 18-25, including 1 resident manager unit. Along with the new, quality affordable housing, supportive services will be provided to help these young adults with job training, education and life skills so that they can become stable, self-sufficient members of the community.

The 1-acre proposed site is located on McLeod Drive between Tropicana Avenue and Reno Avenue in the unincorporated County. This location is central, near UNLV and provides access to major transit corridors so that these young adults will have transportation to work and/or school. The development will also provide 1,500 square feet of community space that will include a large social and meeting room with a full kitchen, a computer room, an office, and a conference room. The structure is anticipated to include approximately 10,000 square

feet, with each residential unit measuring 500 square feet. Building Hope Nevada (BHN), a local non-profit, will act as the design-development partner for this project.

St. Jude's Ranch is awaiting notification from HUD as to whether they have received an \$800,000 Continuum of Care Supportive Housing Program (SHP) grant to help cover the costs of construction. SHP will also provide two years of funding for rental assistance and supportive services. Total project costs are estimated at \$2.7 million with approximately \$1.9 million coming from state and federal Neighborhood Stabilization Program funds.

Any properties redeveloped as residential housing with NSP funds will meet the continued affordability requirements established by the County for the NSP Program. The minimum requirements will be in accordance with the HOME Program standards at 24 CFR 92.254 for homeownership housing or, for rental housing, in accordance with the HOME Program standards at 24 CFR 92.252 (a), (c), (e) and (f).

(9) Total Budget:

\$1,059,439 in State NSP funds for the redevelopment of vacant property as multifamily housing.

(10) Performance Measures:

Redevelopment of vacant property into multifamily housing will support continued development of this neighborhood, where the land use plan calls for the area to develop as a Residential Urban Village.

<b>Exhibit 1: Clark County NSP Budget</b>	<b>Clark County Allocation</b>	<b>State of NV Allocation (County Portion)</b>	<b>TOTAL Allocation</b>
<b>NSP Allocation</b>	<b>\$22,829,062</b>	<b>\$8,056,730</b>	<b>\$30,885,792</b>
<b>NSP 50% AMI (25% Set-Aside)</b>	<b>\$5,781,266</b>	<b>\$5,309,727</b>	<b>\$11,090,993</b>
Acquisition and Rehabilitation for Rental Southern Nevada Regional Housing Authority	\$5,781,266	\$5,309,727	\$11,090,993
<b>NSP 50% AMI Subtotal</b>	<b>\$5,781,266</b>	<b>\$5,309,727</b>	<b>\$11,090,993</b>
<b>NSP ADMINISTRATION 10% CAP</b>	<b>\$2,282,906</b>	<b>\$0</b>	<b>\$2,282,906</b>
General management, oversight, and coordination	\$1,582,906	\$0	\$1,582,906
Professional services	\$700,000		\$700,000
<b>NSP ADMIN Subtotal</b>	<b>\$2,282,906</b>	<b>\$0</b>	<b>\$2,282,906</b>
<b>NSP ACTIVITIES</b>	<b>\$14,838,890</b>	<b>\$5,187,564</b>	<b>\$20,026,454</b>
Homebuyer Assistance Program in Targeted Census Tracts Four nonprofit administrators - Approx. 150 homes	\$6,800,000	\$0	\$6,800,000
Acquisition and Rehabilitation for Sale Three nonprofit developers - Approx. 50 homes	\$7,069,890	\$2,187,564	\$9,257,454
Housing Counseling	\$0	\$0	\$0
Demolition	\$0	\$0	\$0
Redevelopment	\$895,000	\$1,059,439	\$1,954,439
<b>NSP Activities Subtotal</b>	<b>\$14,764,890</b>	<b>\$3,247,003</b>	<b>\$18,011,893</b>
<b>TOTAL</b>	<b>\$22,829,062</b>	<b>\$8,556,730</b>	<b>\$31,385,792</b>