

1 **BILL NO. S-13-03-18**

2
3 **SPECIAL ORDINANCE NO. _____**

4 **AN ORDINANCE ESTABLISHING THE**
5 **NEIGHBORHOOD STABILIZATION 3 GRANT**
6 **FUND.**

7 **WHEREAS**, the City of Fort Wayne received a new allotment of funds from
8 the U.S. Department of Housing and Urban Development under the
9 American Recovery and Reinvestment Act of 2009 (ARRA), and,

10 **WHEREAS**, these dollars will be accounted for and appropriated in
11 accordance with the purpose of this fund; and,

12 **WHEREAS**, these dollars will have limited uses, and,

13 **WHEREAS**, there may remain year end balances.

14 **NOW, THEREFORE, BE IT ORDAINED BY THE COMMON**
15 **COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:**

16 **SECTION 1.** The Neighborhood Stabilization Program 3 (NSP3)
17 Funds shall be established for the purpose of; (A) establishing financing
18 mechanisms for purchase and redevelopment of foreclosed upon homes
19 and residential properties, including such mechanisms as soft-seconds, loan
20 loss reserves, and shared-equity loans for low- and moderate-income
21 homebuyers; (B) purchase and rehabilitate homes and residential properties
22 that have been abandoned or foreclosed upon, in order to sell, rent, or
23 redevelop such homes and properties; (C) establish land banks for homes
24 that have been foreclosed upon; (D) demolish blighted structures; (E)
25 redevelop demolished or vacant properties as housing; and (F) paying
26 expenses of administering the program.

27 **SECTION 2.** Balances remaining at year end may remain in those
28 accounts and carry forward into the following year for appropriate use
29 without additional approval required by the Common Council.
30

SECTION 3. 3-YEAR REINVESTMENT PERIOD.—During the 3-year period following the date of enactment of this Act, any revenue generated from the sale, rental, redevelopment, rehabilitation, or any other eligible use that is in excess of the cost to acquire and redevelop (including reasonable development fees) or rehabilitate an abandoned or foreclosed upon home or residential property shall be provided to and used by the City in accordance with, and in furtherance of, the intent and provisions of ARRA.

SECTION 3. That this Ordinance shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

Council Member

APPROVED AS TO FORM AND LEGALITY

Carol Helton, City Attorney



CITY OF FORT WAYNE

THOMAS C. HENRY, MAYOR

To: Common Council
Introduced March 26, 2013
Discussed April 2, 2013

From: Heather Presley-Cowen, Deputy Director 
Community Development

Date March 12, 2013

Re: Establishment of New Fund: Neighborhood Stabilization Program 3 Funds

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 provided an additional \$1 billion for the Neighborhood Stabilization Program (NSP) that was originally established under the Housing and Economic Recovery Act of 2008. In 2011, HUD awarded grant funding to the City of Fort Wayne, along with 270 states and other selected local governments to mitigate the negative impact of the nation's economic decline and housing market collapse and to stabilize and revitalize communities/areas hit the hardest.

NSP3 funds were allocated by a formula based on the number of foreclosures and vacancies in the 20 percent of U.S. neighborhoods (Census Tracts) with the highest rates of homes financed by a subprime mortgage, are delinquent, or are in foreclosure. Fort Wayne received \$2,374,000. Eligible areas addressed via the City's NSP3 Plan, which was subsequently approved by HUD, include the Downtown Area, Renaissance Pointe and the former site of McMillen Park Apartments.

We request that you approve the creation of this fund so that we might properly track expenditures and income, in accordance with federal regulations.

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