

**PUBLIC NOTICE**  
**City of Bakersfield Substantial Amendment**  
**Fiscal Year 2008-2009 Action Plan/2010 Consolidated Plan**

This notice is for residents of the City of Bakersfield to have the opportunity to comment on the draft substantial amendment to the City of Bakersfield (City) Fiscal Year 2008-2009 (FY08-09) Action Plan/2010 Consolidated Plan (ConPlan).

The City has prepared an amendment (No. 3) to the City's FY08-09 Action Plan which is available for review on the internet or at City designated locations. Subsequent to approval by the City Council, the amendment will create activities to be funded pursuant to the U.S. Department of Housing and Urban Development (HUD) Neighborhood Stabilization Program (NSP).

The NSP was established under the federal Housing and Economic Recovery Act (HERA) of 2008. Due to the number of recent home foreclosures, number of homes financed by a subprime mortgage related loan, and number of homes in default or delinquent, the City is set to receive **\$8,982,836** (effective 2009) from the federal Neighborhood Stabilization Program. The City will have 18 months to legally obligate the funds and all funds must be expended within five years (2014). The City will use the NSP funds to meet congressionally identified needs of abandoned and foreclosed homes in targeted federally established NSP areas as outlined in the substantial amendment to the City's FY 08-09 Action Plan/ConPlan.

NSP areas are defined as low-, moderate-, and middle income (LMMI) areas, show which Census Block Groups qualify for area benefit, where more than 51% of persons are determined to be low-, moderate-, and middle-income (120% or less of area median family income). Federal NSP areas also display foreclosure and abandonment risk scores for each City block group (BG), and the higher scored NSP block groups are used to define the greatest need areas within the City. About 60% ± of the City geography qualify for targeted federal funding due to the greatest need NSP determination indicators for Bakersfield.

One of the requirements of the NSP is that a minimum of 25% of the funds be allocated to activities that benefit individuals/households that do not exceed 50% of the Area Median Income (AMI). To achieve that goal, a minimum of \$2,245,709 in NSP funds will be set aside by the City for benefiting individuals/households that are at ≤ 50% of the AMI.

A description of the proposed NSP eligible uses and activities with budgets to be undertaken next year by the City are listed below:

NSP ELIGIBLE USES	COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROPOSED ELIGIBLE ACTIVITIES	CITY NSP BUDGETS/GEOGRAPHIC AREAS OF FOCUS
A. Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties.	<p>1. a. Direct Homeownership Assistance (DPA) up to \$50,000 for qualified homebuyers (up to 120% of the AMI) purchasing REO (real estate owned lender asset that has been foreclosed upon) units within designated City NSP areas.</p> <p>1. b. Rehab of units purchased within designated NSP areas to bring ownership residential structures acquired with NSP assistance to City code to benefit families ≤ 120% of the AMI.</p> <p>1.c. Provide NSP-assisted homebuyers at least eight hours of required counseling from a HUD-approved housing counseling agency prior to obtaining a mortgage loan.</p> <p>2.a. Acquisition of REO units by a Public Housing Authority (PHA) (Housing Authority of the County of Kern (HACK) is City's PHA) within low to moderate income (Census Block Groups per 2000 Census) areas to benefit families ≤ 50% of AMI.</p> <p>2. b. Rehab of REO units purchased by HACK within low to moderate income (Census Block Groups per 2000 Census) areas to bring ownership/rental residential structures acquired with NSP assistance to City code to benefit families ≤ 50% of the AMI.</p>	<p>1.a. \$1,146,135 / Geographic Focus: NSP designated BG Areas</p> <p>1. b. \$300,000 / Geographic Focus: NSP designated BG Areas</p> <p>1.c. \$40,000 / Geographic Focus: NSP designated BG Areas</p> <p>2.a. \$1,245,709 / Geographic Focus: 2000 Census Low Income Areas within NSP designated BG Areas.</p> <p>2. b. \$1,000,000 / Geographic Focus: 2000 Census Low Income Areas within NSP designated BG's</p>
	<b>Subtotal</b>	\$3,731,844.00
B. Establish land bank(s) for homes that have been foreclosed upon.	Bakersfield Redevelopment Agency (RDA) acquisition of foreclosed (dilapidated and/or distressed) housing structures within NSP designated RDA areas for redevelopment.	\$2,007,730 / Geographic Focus: RDA neighborhoods within NSP designated BG's
	<b>Subtotal</b>	\$2,007,730
C. Demolish blighted structures.	RDA demolition/clearance of blighted structures within NSP designated RDA areas.	\$1,000,000 / Focus: RDA neighborhoods within NSP designated BG's
	<b>Subtotal</b>	\$1,000,000
D. Redevelop demolished or vacant properties.	Installation (i.e., design/construction) of public facilities and improvements (i.e., building infrastructure for support of affordable housing) within RDA areas for neighborhood stabilization.	\$1,000,000 / Focus: RDA neighborhoods within NSP designated BG's
	<b>Subtotal</b>	\$1,000,000
E. Administration	<p>1. Planning and Administration</p> <p>2. Staff Direct Delivery Activity Costs</p>	<p>1. \$898,283</p> <p>2. \$344,979</p>
	<b>Subtotal</b>	\$1, 243,262
<b>CITY OF BAKERSFIELD NSP TOTAL</b>		<b>\$8,982,836</b>

The substantial amendment document for the use of City NSP funds is available for public review for a 15-day period from Nov. 3, 2008 to Nov. 18, 2008 at the following places: Economic & Community Development Department (EDCD), 1600 Truxtun Avenue, Suite 300, Bakersfield, California, 93301; City Hall – City Clerks Office, 1501 Truxtun Avenue, Bakersfield, CA 93301; and at the City's EDCD web site (see General Information section – Reports and Plans): <http://www.bakersfieldcity.us/edcd/commdev/index.htm>

Written comments/feedback regarding this federal program can be mailed or delivered to the Economic & Community Development Department, 1600 Truxtun Avenue, Suite 300, Bakersfield, California, 93301. Attention: Rhonda Barnhard, Assistant Director, (phone: 661-326-3765; fax: 661-852-2138).

On **November 19, 2008** the substantial amendment to the City's FY 08-09 Action Plan/ConPlan will be considered by the City Council for review and approval. On or about November 24, 2008, the City will be submitting the substantial amendment to the HUD LA office notifying them of the adopted changes to the City's FY 08-09 Action Plan/ConPlan. The HUD deadline for receiving the substantial amendment from the City describing the NSP with narratives and federal certifications/forms is no later than **December 1, 2008**.

Subsequent to receipt of the amendment, the HUD LA Office will have about 45 days for review and comment. HUD approval of the substantial amendment is expected by the first quarter of 2009.

**PUBLISHED: November 3, 2008**