

Notice of Substantial Amendment to Washoe County's Neighborhood Stabilization Program 3 Federal Grant

Washoe County is currently administering a Federal Grant from the Department of Housing and Urban Development (HUD) Neighborhood Stabilization Program 3 (NSP3). The purpose of these funds is to acquire foreclosed, abandoned, vacant or blighted properties; and after rehabilitation or redevelopment, utilize the units to provide housing for low income families.

Washoe County is updating its NSP3 Action plan to better reflect the County plan for NSP3 funding. As project planning and implementation has progressed, the County has determined that several changes are in order. Based on updated cost estimates and actual bids, the County is proposing changes to the structure of the anticipated scattered site rental development included in prior versions of this plan. Rather than be entirely restricted to tenants at or below 50% of the area median income (AMI), the project will be adjusted to include some units targeted to households with incomes of up to 120% AMI. Including units at higher rents will improve the overall financial viability of the development over time and provide operational flexibility. The County is also updating its provisions related to Ensuring Continued Affordability and the Definition of Affordable Rents. In both cases, the updates are intended to clarify prior provisions, eliminate minor internal inconsistencies, and provide for operational flexibility in the future. Additionally, while the County will continue to act as the developer for this project, including building sites on Spokane Avenue in Reno and Zephyr Way in Sparks, it now intends to transfer ownership of the project shortly after completion and lease-up to a local non-profit community development corporation. The County intends to solicit a new owner-operator through a Request for Proposal (RFP) process and will secure the NSP3 investment in the project through both a deed restriction and financing documents. Finally, based on current cost projections, the County is amending the overall scope of projected activity. Nearly all available NSP3 funding will be used toward the rental project on Spokane and Zephyr.

Washoe County will be taking comments on these proposed changes for 15 days following the publication of this notice. For more information on these changes or on any other aspect of this grant, please contact: Stephen Shipman, MPA, Washoe County Social Services, sshipman@washoecounty.us, 775-785-5654; Eric Young, PhD, Planner, Washoe County Department of Community Services, eyoung@washoecounty.us, 775-328-3613. Or visit: http://www/comdev/publications_maps_products/housing.htm