Mr. Patrick E. Clancy  
President and Chief Executive Officer  
The Community Builders, Inc.  
95 Berkeley Street, 5th Floor  
Boston, MA 02116-6240

Dear Mr. Clancy:

The Department received The Community Builders, Inc.’s (TCB) NSP2 substantial amendment request dated September 27, 2010. The Community Builders, Inc. was originally awarded a Neighborhood Stabilization Program 2 (NSP2) grant of $78,617,631 from the Department to address targeted multifamily properties located in 9 census tracts.

The Community Builders, Inc. has requested the following amendment:

1.) To change the composition of TCB’s NSP2 area of greatest need by adding 11 new census tracts to the target geography, while removing 4 which were approved in its original NSP2 action plan. Two of the new census tracts are adjacent to census tracts approved in the original action plan.

The new target geography would consist of the following census tracts: 012900, 012800, 030200, 031000, 002900, 382000, 006921, 305600, 900901, 883603, 508200, 5081900, 015000, 010100, and 545400.

If the amendment is approved, TCB would no longer pursue its NSP2 program in Rockford, IL or Worcester, MA. However, TCB would continue to carry out NSP2 activities in a larger number of communities in all of the states identified in its original application.

The Neighborhood Stabilization Program, authorized by the Housing and Economic Recovery Act of 2008 (HERA), provided $3.92 billion (NSP 1) in emergency assistance for the redevelopment of abandoned and foreclosed homes allocated on a formula basis to all states and 255 local governments. The American Recovery and Reinvestment Act of 2009 (Recovery Act) authorized an additional $1.93 billion (NSP2), which the Department allocated through a competitive process among states, units of general local government, nonprofit entities, and consortia of nonprofit entities.

NSP2 is regulated by the above statutes as well as the Notice of Funding Availability (NOFA) for NSP2 which states that: “No amendment to an approved application may be made unless HUD rates the approved application as amended and it scores high enough to have been
NSP2 is regulated by the above statutes as well as the Notice of Funding Availability (NOFA) for NSP2 which states that: “No amendment to an approved application may be made unless HUD rates the approved application as amended and it scores high enough to have been selected for funding under the NSP2 competition.” HUD convened an NSP2 Amendment Panel and reviewed TCB’s NSP2 amendment request and justification. The Panel discussed each of the six NSP2 rating factors and examined how a change in the composition of the area of greatest need targeted by TCB would affect each rating factor.

The Panel determined that the substantial amendment to TCB’s NSP2 action plan would increase the score of the original NSP2 application, and thus the amendment has been approved by HUD, on the condition that TCB continue to work in all of the states it had originally proposed to carry out NSP2 activities.

Please contact Stanley Gimont, Director, Office of Block Grant Assistance, at (202) 708–3587 if you have any questions.

Sincerely,

Yolanda Chávez
Deputy Assistant Secretary
for Grant Programs