

Proposed Amendment to the 2010-2011 Annual Action Plan Summary

The City Council approved the adoption of the 2010-2011 Annual Action Plan at its meeting on May 11, 2010. This first amendment, if approved by City Council, will amend the 2010-2011 Action Plan to spend funds from previously unbudgeted revenue and carryover income as well as authorize the City of Modesto to carry out NSP 3 eligible activities.

Several CDBG activities are affected by this amendment. These include the creation of new activities within the Neighborhood Revitalization Strategy Area (NRSA), an increase in funding for economic development (\$150,000) and additional \$50,000 for the installation of curb ramps. This amendment also proposes a change in the use of Revolving Loan Fund receipts which will be used to fully fund the Empire Street Improvement Project (\$411,208).

The City of Modesto has been awarded \$2,951,549 in NSP 3 funds authorized by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 to stabilize neighborhoods impacted by the economic effects of properties that have been foreclosed upon or abandoned.

The City of Modesto proposes to strategically focus NSP 3 funds to leverage existing revitalization efforts, including creating opportunities to collaborate extensively with Stanislaus County to leverage its NSP 3 and other potential funding sources.

Proposed NSP 3 eligible activities:

- purchase and rehabilitate homes and residential properties (i.e., vacant land that is currently designated for residential use) that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties;
- establish and operate a land bank for homes and residential properties that have been foreclosed upon, in order to efficiently acquire, hold, manage, and dispose of such homes and properties to stimulate re-use or redevelopment;
- redevelop demolished or vacant properties;
- all activities will meet the national objective of benefiting low-, moderate-, or middle-income persons

In compliance with the City's Citizen Participation Plan and the Consolidated Plan regulation 24 CFR 91.105, amendments are subject to a 30-day public review and comment period and a public hearing. This amendment is available for public review beginning September 29, 2010.

Individuals wishing to express their views concerning the above-proposed amendment are invited to attend the public hearing on November 3, 2010, 2010 at 5:30 PM at City Council Chambers, 1010 Tenth Street, or to submit written comments to the City of Modesto Parks, Recreation, and Neighborhoods Department, Housing Division, Attn: Judith Ray no later than November 3, 2010, 4:00 PM. For more information, please contact Judith Ray at (209) 577-5351.