



U.S. Department of Housing and Urban Development

# **NSP Webinar: Economic Development and the New NSP Rules**

October 22<sup>nd</sup>, 2013

2:00 P.M. EST

# Moderator and Panel

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# Access to Materials

- Instructions to Download materials
  - Go to OneCPD Training and Events at;  
<https://www.onecpd.info/training-events/>
  - Select the “Calendar” tab
  - Locate today’s webinar and click “Get Credit and Access Webinar Materials”

# Topics of Discussion

- How are economic development activities now eligible under NSP rules and regulations?
- What Eligible Use categories allow for NSP 1, NSP 2, & NSP 3 grantees to meet the new National Objective?
- Can previously established activities be modified to meet the new National Objective?
- How do grantees properly report jobs created in DRGR?

# Economic Development and/or Job Creation Activities

- The NSP Close-Out Notice (Federal Register/Vol.77, No. 228/Tuesday, November 27, 2012) adds “Special Economic Development Opportunities” as an eligible activity for NSP Grantees.
- Grantees may now use economic development activities to fulfill a LMMI National Objective by creating and/or retaining jobs (LMMJ)



# Economic Development and/or Job Creation Activities (cont'd)

- Grantees may also continue to use economic development projects to fulfill an area benefit (LMMA) or development that involve facilities designed for use predominantly by LMM income persons (LMMC)
- These activities may be carried out singularly or as part of a mixed use development project.
- *Please note: **Subject properties still must meet all other NSP requirements regarding eligible acquisition and related expenses.** The addition of the economic development National Objective only provides for additional end use possibilities, it does not however modify NSP property acquisition criteria.*



# General Principles

- NSP PROJECTS MUST:
  - Always fit an eligible USE
  - Always be an eligible ACTIVITY
  - Always meet a NATIONAL OBJECTIVE

# Eligible Use categories

- NSP 1
  - Economic Development Activities are eligible under **Eligible Use B**: acquisition/rehab of abandoned or foreclosed residential buildings, or
  - **Eligible Use E**: acquisition/rehab/redevelopment of demolished or vacant property of any type.
- NSP 2 & 3
  - Economic Development Activities are eligible under Eligible Use B ONLY.



# Meeting a National Objective: LMMA

- Be located in a predominantly LMM income neighborhood and serve the LMM income residents



- Example: A grocery store serving a LMM income neighborhood qualifies as an area benefit.

# Meeting a National Objective: LMMJ

- Involve the employment of persons, the majority of whom are LMM income persons.



- Example: An in-home day care center that creates or retains jobs principally for LMM income persons.
- *Please note: these activities must involve the redevelopment of abandoned or foreclosed residential buildings*

# Meeting a National Objective: LMMC

- Involve facilities designed for use predominantly by LMM income persons



- Example: A for-profit medical clinic that is designed to serve patients on Medicaid or welfare qualifies as limited clientele.

# Allowable Expenses

Expenses are allowable under Eligible Use B (NSP 1,2, &3) and Eligible Use E (NSP 1) if they meet one of the following conditions:

1. Activities meet the National Objective LMMA through an economic benefit to the area,
2. Activities meet the National Objective LMMJ if they benefit LMMI individuals through the creation or retention of jobs, or
3. Activities meet the National Objective LMMC if they benefit LMMI individuals while also meeting the definition of limited clientele.

# Grantee Highlight: City of Los Angeles, California

NSP 1, 2 & 3 Grantee

Project Details: Dunbar Hotel  
Revitalization now the Dunbar Village  
development

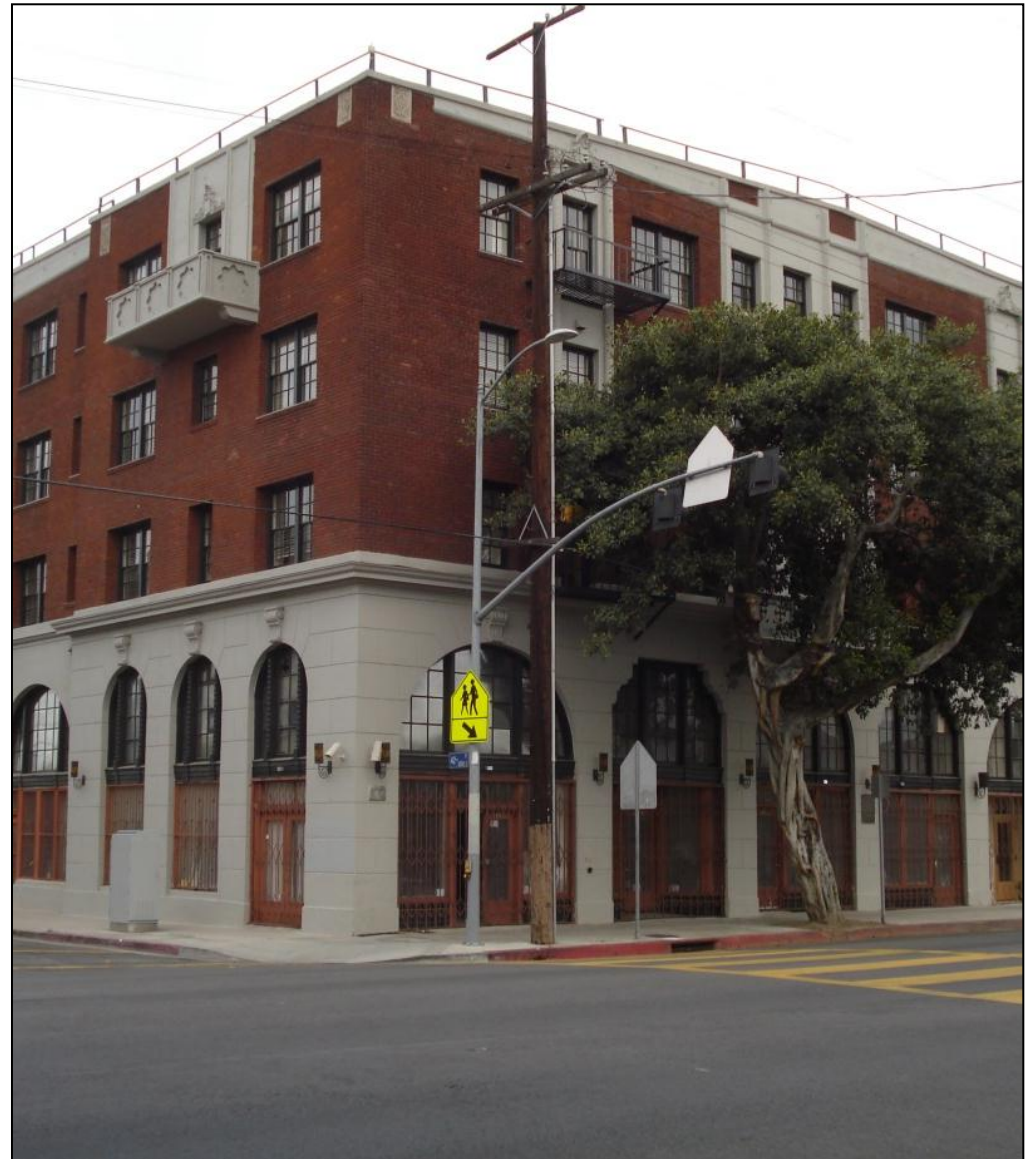
Units: 82 (41 senior/41 family)

Jobs Created (anticipated):  
Café/restaurant tenant which will  
occupy the former speak easy within  
the hotel lobby area

More information:

<http://lahd.lacity.org/nsp/>

[www.dunbarvillagela.com/](http://www.dunbarvillagela.com/)



# Modification of previously established activities

- Projects that have previously stalled for one reason or another may now have new end use possibilities. If so, the grantee will need to modify their Action Plan to accurately reflect the eligible end use.
  - Modification of the National Objective identified in the Activity set-up section of the Action Plan
  - Adjustments to anticipated beneficiaries in the Action Plan
  - Mixed Use Development Opportunities

# Grantee Highlight: Lake Worth, Florida

NSP 2 Grantee

Consortium led by Lake Worth CRA

Project: Urban Arts Lofts

Partners: Lake Worth CRA & LULA

Lake Worth Arts Program

Units: 12 live/work lofts

Jobs Created: 12

More information:

<http://lakeworthnsp.org/urban-arts-lofts/>



Ground Floor Work Space

# Properly reporting jobs created or retained in DRGR

- QPR Module
  - Job creation and/or retention can be tracked quarterly by activity in the QPR module.

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Permanent Jobs Created	4	4	8	4/1	4/1	8/2	100.00



# NSP Resource Exchange Links

## Resources on NSP and OneCPD Resource Exchanges

Search the OneCPD Resource Library	<a href="https://onecpd.info/resource-library/">https://onecpd.info/resource-library/</a>
Search the NSP FAQs	<a href="http://hudnsphelp.info/faqs">http://hudnsphelp.info/faqs</a>
View All Training Materials on the NSP Learning Center	<a href="http://hudnsphelp.info/learning">http://hudnsphelp.info/learning</a>
Submit a Policy Question via OneCPD Ask A Question	<a href="https://onecpd.info/ask-a-question/">https://onecpd.info/ask-a-question/</a>
Request NSP Technical Assistance	<a href="http://hudnsphelp.info/RequestTA">http://hudnsphelp.info/RequestTA</a>

## Connect with NSP

Join the OneCPD Mailing List	<a href="https://onecpd.info/maillinglist/">https://onecpd.info/maillinglist/</a>
Visit the NSP Flickr Gallery	<a href="http://flickr.com/photos/nspresourceexchange">http://flickr.com/photos/nspresourceexchange</a>
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# Give us your Feedback

- Answer a few short questions
- You will be taken directly to the survey when you leave the webinar.
- Link: <http://www.surveymonkey.com/s/BQQMJCY>

Your opinion is valuable!!!

THANK YOU

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