



Resources and assistance to support HUD's community partners

**HUD EXCHANGE**

# NSP Closeout Page Resources Webinar

July 9, 2019

# Overview

The new NSP Closeout page on the HUD Exchange makes it easy to find the info you need whether you're preparing for or completing closeout. Also learn about post closeout requirements.

Resources and assistance to support HUD's community partners

NEED HOUSING ASSISTANCE? Email Updates Log In

HUD EXCHANGE Secretary Ben Carson

Programs Resources Trainings Program Support Grantees News

Home > Programs > NSP: Neighborhood Stabilization Program

## Neighborhood Stabilization Program

Request NSP Technical Assistance

TA is geared toward identifying DRGR issues, assessing grantee closeout readiness, and resolving any programmatic issues that are delaying grantees from closing out NSP grants.

Get Help Today

Join the NSP Mailing List

Request NSP Technical Assistance

DRGR Log-In and Guidance

Contact an NSP Grantee

Policy Guidance

Laws, Regulations, and Federal Register Notices

Policy Alerts

FAQs

Trainings

Training Material Archive

Upcoming Training

Grantee Data and Reports

Income Limits

Monthly Expenditure Report

All Data and Reports

NSP Basics: Overview of NSP eligible activities and beneficiaries

Implementation: Tools and sample documents for program implementation

**Closeout: Closeout criteria, process, and post-closeout requirements**

NSP News & Announcements

NSP Action Plans and QPRs Posted for Q4 FY 2018 and Q1 FY 2019  
Date Posted: June 13, 2019

CPD Funding Matrix and Dashboard Reports Posted  
Date Posted: June 07, 2019

HUD Publishes Monthly NSP Expenditure Report  
Date Posted: June 06, 2019

**Access the new NSP Closeout page from the NSP page on the HUD Exchange.**

Resources and assistance to support HUD's community partners

NEED HOUSING ASSISTANCE? Email Updates Log In

HUD EXCHANGE Secretary Ben Carson

Programs Resources Trainings Program Support Grantees News

Home > Programs > NSP: Neighborhood Stabilization Program > NSP Closeout Process and Guidance > Closeout Process Overview

## NSP Closeout Process and Guidance

Search

Closeout Process Overview

- Prepare: Are You Ready for Closeout?
- Complete: Closeout Steps
- Comply: Post-Closeout

Additional Resources

Get Help Today

Prepare

Are you ready for closeout? Learn more about these topics to find out.

- Line of Credit Funds Drawn
- 25% Set-Aside
- Program Income
- National Objectives
- DRGR Data
- Monitoring Findings
- Restrictive Covenants
- Land Banks

➔

Complete

So you're ready to close out...What now?

- Contact Your Field Office
- Complete Closeout Package
- Submit Final Performance Report
- Execute Closeout Agreement
- Cancel Unused NSP Award

➔

Comply

You've closed out your NSP grant—Remember, you still have some responsibilities.

- Policies and Procedures
- Post Closeout Income
- Land Banked Properties
- DRGR
- Reporting Requirements
- Records Management
- Flood Insurance
- Change in Use
- Environmental Reviews
- Loan Loss Reserve Fund

Next

**Resources and guidance are conveniently organized by steps in the Closeout process:**

- ✓ Prepare: Are you Ready?
- ✓ Complete: Closeout Steps
- ✓ Comply: Post-Closeout

# Prepare: Are You Ready for Closeout?

The screenshot shows a web application interface for a closeout readiness assessment. On the left is a sidebar with a search bar and a navigation menu. The main content area displays a question about the 25% Set-Aside Requirement, accompanied by a green checkmark and a red X icon. Below the question is a 'Learn More' section with a list of resources. At the bottom are 'Previous' and 'Next' buttons.

Search

Closeout Process Overview

Prepare: Are You Ready for Closeout?

Have virtually all of the grant funds in the Line of Credit been drawn in DRGR?

Has the 25% Set-Aside Requirement for the grant amount been met?

Are you on track to meet the 25% Set-Aside Requirement for Program Income within three years of the closeout date?

Have all activities, funded with even a penny of Line of Credit funds, met a National Objective?

Has all DRGR data been reconciled and does it tell a complete and accurate story?

Have all audit or monitoring findings been cleared?

Are You Ready to Closeout?

Has the 25% Set-Aside Requirement for the *grant* amount been met?

Review the resources below for additional guidance and information. Then click "Next" to continue to the next question.

Learn More

- [Meeting the NSP 25% Set-Aside Requirement Webinar](#): This webinar is designed to review with grantees and partners the requirements for the 25% Set-Aside and to address key issues encountered when designing NSP programs for low income households.
- [Meeting the 25% Set-Aside for NSP2 Grantees Webinar](#): This webinar was for all NSP grantees and partners, but specifically aimed towards NSP2 grantees interested in meeting the 25% low income housing requirement.
- [DRGR MicroStrategy Reports](#): Report Fin Rept07b identifies each activity's National Objective, including 25% Set-Aside. This report can be used to determine if the activities have met this requirement for the grant amount based on the total funds drawn.
- [NSP Closeout Guide](#): This guide is intended to supplement the [Notice of NSP Closeout Requirements and Recapture](#) and the [Closeout Instructions for Community Development Block Grant Programs Grants](#), as well as offer guidance to grant recipients on closing out NSP1, NSP2, and NSP3 grants.

Previous Next

Answer these 8 questions to determine if you're ready for closeout!

If you answer "No" to any of the questions, review the suggested resources in the "Learn More" section.

To proceed to the next question click "Next."

# Complete: Closeout Steps

The screenshot displays a web interface for 'Closeout Steps'. On the left is a sidebar with a search bar and a list of steps. Step 2, '2. Complete: Closeout Steps', is highlighted with a blue box. The main content area shows the title '2. Contact Your Field Office', a description, a list of considerations, and a paragraph explaining the process. 'Previous' and 'Next' buttons are visible at the bottom of the main content area.

**Closeout Steps**

**2. Contact Your Field Office**

Contact your NSP Field Office Representative to let them know you are prepared to close out the grant.

HUD Field Offices and grantees work cooperatively to determine that closeout criteria have been met. Considerations may include, but are not limited to:

- Amounts in the grantee's Line of Credit
- Status of activities
- Program income receipts
- Quality of DRGR reports

This is a fluid process in which HUD and grantees decide through conversation that the grantee is ready for closeout. Either HUD or the grantee may initiate this discussion, though HUD makes the decision to proceed to closeout.

[Previous](#) [Next](#)

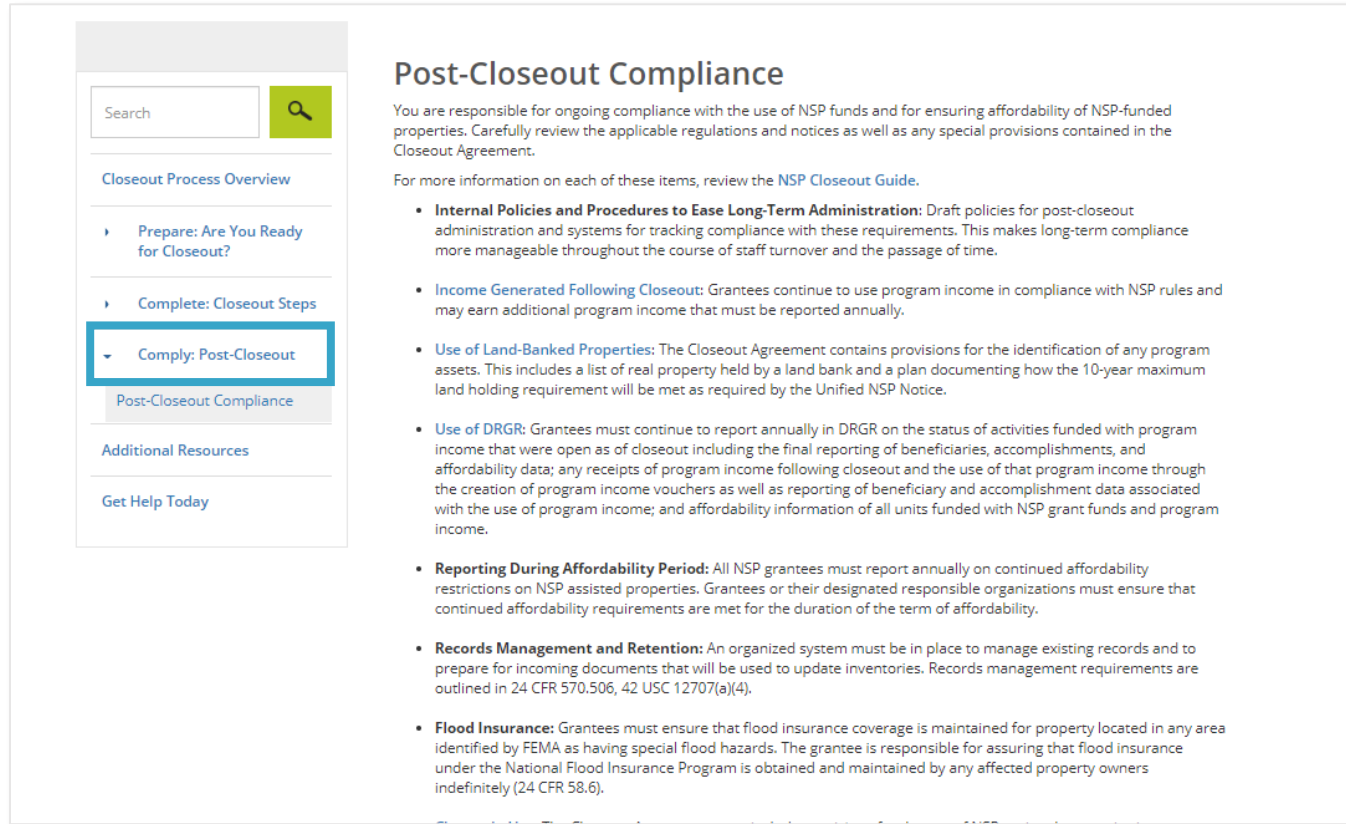
**Closeout Process Overview**

- Prepare: Are You Ready for Closeout?
- ▾ Complete: Closeout Steps**
  - 1. Review NSP Grant Closeout Overview
  - 2. Contact Your Field Office**
  - 3. HUD Determines Readiness and Sends Closeout Package
  - 4. Prepare and Submit Closeout Package to HUD
  - 5. HUD Reviews Closeout Package
  - 6. Submit Final Performance Report to HUD
  - 7. Execute Closeout Agreement with HUD
  - 8. HUD Cancels Unused NSP Grant Award

Follow these 8 steps to complete closeout.

Working with HUD, Closeout Package, Final Performance Reports, and more!

# Comply: Post Closeout



The screenshot shows a web page with a sidebar on the left and main content on the right. The sidebar contains a search bar, a 'Closeout Process Overview' section with a list of items (one highlighted with a blue box), 'Additional Resources', and 'Get Help Today'. The main content area has a title 'Post-Closeout Compliance', an introductory paragraph, a link to a guide, and a list of compliance items.

## Post-Closeout Compliance

You are responsible for ongoing compliance with the use of NSP funds and for ensuring affordability of NSP-funded properties. Carefully review the applicable regulations and notices as well as any special provisions contained in the Closeout Agreement.

For more information on each of these items, review the [NSP Closeout Guide](#).

- **Internal Policies and Procedures to Ease Long-Term Administration:** Draft policies for post-closeout administration and systems for tracking compliance with these requirements. This makes long-term compliance more manageable throughout the course of staff turnover and the passage of time.
- **Income Generated Following Closeout:** Grantees continue to use program income in compliance with NSP rules and may earn additional program income that must be reported annually.
- **Use of Land-Banked Properties:** The Closeout Agreement contains provisions for the identification of any program assets. This includes a list of real property held by a land bank and a plan documenting how the 10-year maximum land holding requirement will be met as required by the Unified NSP Notice.
- **Use of DRGR:** Grantees must continue to report annually in DRGR on the status of activities funded with program income that were open as of closeout including the final reporting of beneficiaries, accomplishments, and affordability data; any receipts of program income following closeout and the use of that program income through the creation of program income vouchers as well as reporting of beneficiary and accomplishment data associated with the use of program income; and affordability information of all units funded with NSP grant funds and program income.
- **Reporting During Affordability Period:** All NSP grantees must report annually on continued affordability restrictions on NSP assisted properties. Grantees or their designated responsible organizations must ensure that continued affordability requirements are met for the duration of the term of affordability.
- **Records Management and Retention:** An organized system must be in place to manage existing records and to prepare for incoming documents that will be used to update inventories. Records management requirements are outlined in 24 CFR 570.506, 42 USC 12707(a)(4).
- **Flood Insurance:** Grantees must ensure that flood insurance coverage is maintained for property located in any area identified by FEMA as having special flood hazards. The grantee is responsible for assuring that flood insurance under the National Flood Insurance Program is obtained and maintained by any affected property owners indefinitely (24 CFR 58.6).

Review the requirements for post-closeout compliance.

- ✓ Policies and Procedures
- ✓ Income
- ✓ Land Banked Properties
- ✓ DRGR
- ✓ Reporting
- ✓ Records Management
- ✓ Flood Insurance
- ✓ Change in Use
- ✓ Environmental Reviews
- ✓ Loan Loss Reserve Fund

Resources and assistance to support HUD's community partners

NEED HOUSING ASSISTANCE? Email Updates Log In

HUD EXCHANGE Secretary Ben Carson

Programs Resources Trainings Program Support Grantees News

## NSP Closeout Process and Guidance

Search

Closeout Process Overview

- Prepare: Are You Ready for Closeout?
- Complete: Closeout Steps
- Comply: Post-Closeout
- Additional Resources**
- Get Help Today

### Additional NSP Closeout Resources

For additional guidance, you may review the following resources:

- NSP Closeout Guide:** This guide is intended to supplement the Notice of NSP Closeout Requirements and Recapture and the Closeout Instructions for Community Development Block Grant Programs Grants, as well as offer guidance to grant recipients on closing out NSP1, NSP2, and NSP3 grants.
- NSP Closeout Notice:** The Notice of NSP Closeout Requirements and Recapture (NSP Closeout Notice) describes closeout requirements that apply to and additional regulations waived for grantees receiving grants under the three rounds of funding under NSP.
- NSP Closeout Instructions Webinar - Part 1:** This webinar is the first in a 3 part series that reviews the CPD Notice 2014-02, Closeout Instructions for Community Development Block Grant (CDBG) Programs Grants with NSP 1, 2, and 3 grantees.
- NSP Closeout Instructions Webinar - Part 2:** This webinar is for NSP 1, 2, and 3 grantees and will cover the closeout criteria in more detail while providing guidance to grantees on how they can start preparing for closeout by reviewing the status of activities, DRGR reporting, and internal records.
- NSP Closeout Instructions Webinar - Part 3:** This webinar is designed to assist grantees in understanding the closeout instructions. This webinar is for NSP 1, 2, and 3 grantees and covers special topics such as strategies for spending down lines of credit, post-closeout issues such as program income, land banks, and reporting, concerns unique to NSP2/3 and State grantees, and others.
- Notice CPD-14-02: Closeout Instructions for CDBG Programs Grants:** This Notice replaces Notice CPD 12-004 and provides policy guidance and procedural instructions for CPD Field Offices and State, Entitlement and NSP grantees, Insular Areas and Non-Entitlement counties in Hawaii on how to close out the following grants only: State/Entitlement: CDBG, CDBG-DR, CDBG-R, and NSP 1, 2, and 3.
- NSP Program Income Transfer Instructions and Forms:** These documents provide instructions and templates for transferring program income from NSP as authorized by the Notice of the Neighborhood Stabilization Program: Changes to Closeout Requirements related to Program Income (Program Income Notice) published June 14, 2016 (FR 5933-N-01).

Previous Next

**Review a list of key resources to assist during the closeout process.**

Resources and assistance to support HUD's community partners

NEED HOUSING ASSISTANCE? Email Updates Log In

HUD EXCHANGE Secretary Ben Carson

Programs Resources Trainings Program Support Grantees News

## NSP Closeout Process and Guidance

Search

Closeout Process Overview

- Prepare: Are You Ready for Closeout?
- Complete: Closeout Steps
- Comply: Post-Closeout
- Additional Resources
- Get Help Today**

### Get Help Today

Still have questions after reviewing the available resources?

**Have a question?**

Submit questions on NSP programs and policy guidance and get answers within 48 hours.

Ask A Question

**Need in-depth assistance?**

Grantees, HUD CPD Representatives, and TA Providers request in-depth assistance with closeout issues such as Identifying DRGR issues, assessing closeout readiness, and resolving programmatic issues delaying closeout.

Request Technical Assistance

You may also submit closeout questions to your NSP Field Office Representative.

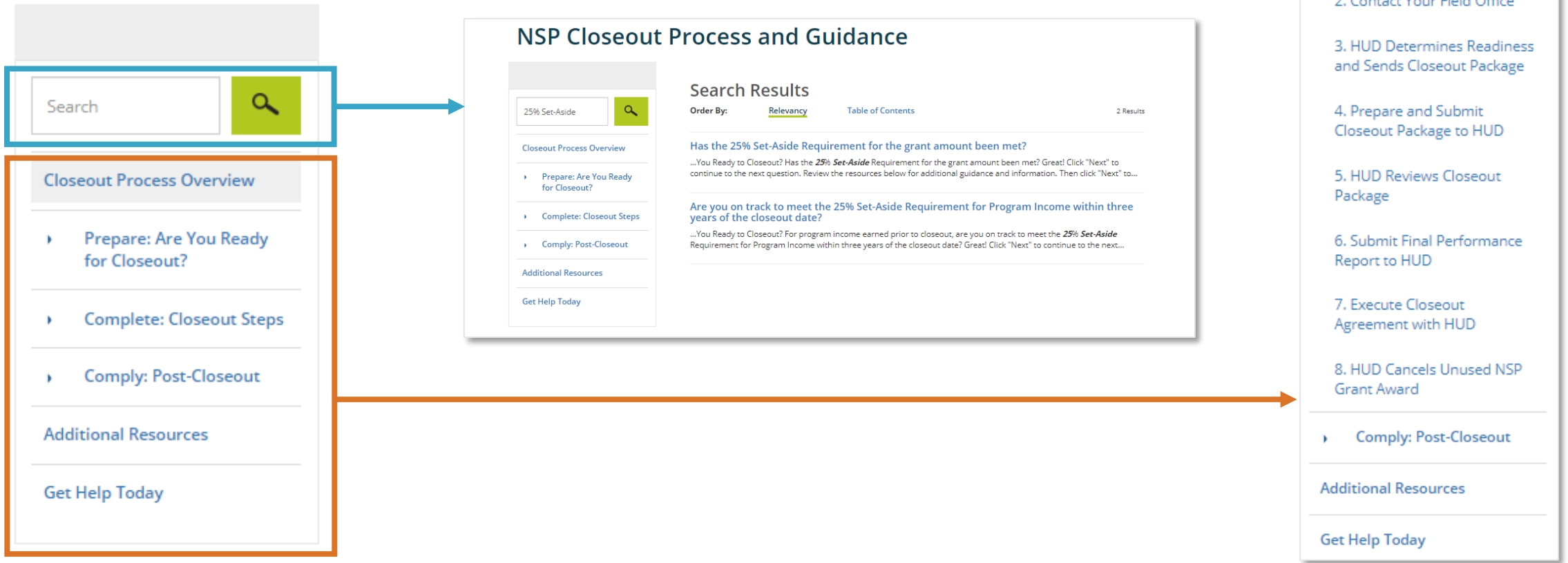
Previous

**Still have questions? Here's how to get help.**

- ✓ Submit a question to Ask A Question or contact your NSP Field Office Rep
- ✓ Request Technical Assistance

# Navigation: How to Find What You Need

Want to “jump” to something specific?  
Use the Search Box or expand Table of Contents on the left side.



Closeout Process Overview

- Prepare: Are You Ready for Closeout?
- Complete: Closeout Steps
  1. Review NSP Grant Closeout Overview
  2. Contact Your Field Office
  3. HUD Determines Readiness and Sends Closeout Package
  4. Prepare and Submit Closeout Package to HUD
  5. HUD Reviews Closeout Package
  6. Submit Final Performance Report to HUD
  7. Execute Closeout Agreement with HUD
  8. HUD Cancels Unused NSP Grant Award
- Comply: Post-Closeout
- Additional Resources
- Get Help Today



# Let's Go Into Detail

# Closeout Process Overview

Resources and assistance to support HUD's community partners

NEED HOUSING ASSISTANCE? Email Updates Log In

HUD EXCHANGE  
Secretary Ben Carson

Programs Resources Trainings Program Support Grantees News

Home > Programs > NSP: Neighborhood Stabilization Program > NSP Closeout Process and Guidance > Closeout Process Overview

## NSP Closeout Process and Guidance

Search

Closeout Process Overview

- Prepare: Are You Ready for Closeout?
- Complete: Closeout Steps
- Comply: Post-Closeout

Additional Resources

Get Help Today

### Prepare

Are you ready for closeout? Learn more about these topics to find out.

- Line of Credit Funds Drawn
- 25% Set-Aside
- Program Income
- National Objectives
- DRGR Data
- Monitoring Findings
- Restrictive Covenants
- Land Banks

### Complete

So you're ready to close out...What now?

- Contact Your Field Office
- Complete Closeout Package
- Submit Final Performance Report
- Execute Closeout Agreement
- Cancel Unused NSP Award

### Comply

You've closed out your NSP grant—Remember, you still have some responsibilities.

- Policies and Procedures
- Post Closeout Income
- Land Banked Properties
- DRGR
- Reporting Requirements
- Records Management
- Flood Insurance
- Change in Use
- Environmental Reviews
- Loan Loss Reserve Fund

Next

Navigate **in sequence** of steps in the Closeout process

Navigate **directly** to the resource for a specific task

# Additional Resources

Resources and assistance to support HUD's community partners

NEED HOUSING ASSISTANCE? Email Updates Log In

HUD EXCHANGE  
Secretary Ben Carson

Programs Resources Trainings Program Support Grantees News

## NSP Closeout Process and Guidance

Search

Closeout Process Overview

- Prepare: Are You Ready for Closeout?
- Complete: Closeout Steps
- Comply: Post-Closeout
- Additional Resources**

Get Help Today

### Additional NSP Closeout Resources

For additional guidance, you may review the following resources:

- NSP Closeout Guide:** This guide is intended to supplement the Notice of NSP Closeout Requirements and Recapture and the Closeout Instructions for Community Development Block Grant Programs Grants, as well as offer guidance to grant recipients on closing out NSP1, NSP2, and NSP3 grants.
- NSP Closeout Notice:** The Notice of NSP Closeout Requirements and Recapture (NSP Closeout Notice) describes closeout requirements that apply to and additional regulations waived for grantees receiving grants under the three rounds of funding under NSP.
- NSP Closeout Instructions Webinar - Part 1:** This webinar is the first in a 3 part series that reviews the CPD Notice 2014-02, Closeout Instructions for Community Development Block Grant (CDBG) Programs Grants with NSP 1, 2, and 3 grantees.
- NSP Closeout Instructions Webinar - Part 2:** This webinar is for NSP 1, 2, and 3 grantees and will cover the closeout criteria in more detail while providing guidance to grantees on how they can start preparing for closeout by reviewing the status of activities, DRGR reporting, and internal records.
- NSP Closeout Instructions Webinar - Part 3:** This webinar is designed to assist grantees in understanding the closeout instructions. This webinar is for NSP 1, 2, and 3 grantees and covers special topics such as strategies for spending down lines of credit, post-closeout issues such as program income, land banks, and reporting, concerns unique to NSP2/3 and State grantees, and others.
- Notice CPD-14-02: Closeout Instructions for CDBG Programs Grants:** This Notice replaces Notice CPD 12-004 and provides policy guidance and procedural instructions for CPD Field Offices and State, Entitlement and NSP grantees, Insular Areas and Non-Entitlement counties in Hawaii on how to close out the following grants only: State/Entitlement CDBG, CDBG-DR, CDBG-R, and NSP 1, 2, and 3.
- NSP Program Income Transfer Instructions and Forms:** These documents provide instructions and templates for transferring program income from NSP as authorized by the Notice of the Neighborhood Stabilization Program: Changes to Closeout Requirements related to Program Income (Program Income Notice) published June 14, 2016 (FR 5933-N-01).

Previous Next

- ✓ NSP Closeout Guide
- ✓ NSP Closeout Notice
- ✓ Notice 14-02 Closeout Instructions for CDBG Program Grants

# Get Help Today

Resources and assistance to support HUD's community partners

NEED HOUSING ASSISTANCE? Email Updates Log In

HUD EXCHANGE Secretary Ben Carson

Programs Resources Trainings Program Support Grantees News

## NSP Closeout Process and Guidance

Get Help Today

Still have questions after reviewing the available resources?

### Have a question?

Submit questions on NSP programs and policy guidance and get answers within 48 hours.

Ask A Question

### Need in-depth assistance?

Grantees, HUD CPD Representatives, and TA Providers request in-depth assistance with closeout issues such as identifying DRGR issues, assessing closeout readiness, and resolving programmatic issues delaying closeout.

Request Technical Assistance

You may also submit closeout questions to your NSP Field Office Representative.

Previous

## Submit questions via Ask A Question

### Ask A Question

The following Ask A Question desks are active: BRAC, CNA e-Tool, CoC, DRGR, eCon Planning Suite, ESG, e-naps, PHP Tool, HDX, HMS, HOPWA, HEROS, HUD-VASH, IDIS, Legacy Homeless Programs, NSP, Sage, and Title V.

The AFFH, CDBG, and HOME Ask A Question desks are closed and no longer accepting questions. Please contact your local CPD Field Office or FHED Regional Office for assistance.

Step 1 of 2

Personal Information\* Required fields

\* First Name

\* Last Name

\* State

\* City/Town

\* County

\* Phone Number

Format: xxx-xxx-xxxx x\_\_\_\_ (Extension Optional)

\* Email Address

\* Confirm Email

\* I am a

Step 2 >

**Request TA by emailing**  
**nsp-questions@hud.gov**

# Prepare

Resources and assistance to support HUD's community partners

NEED HOUSING ASSISTANCE? Email Updates Log In

**HUD EXCHANGE**  
Secretary Ben Carson

Programs Resources Trainings Program Support Grantees News

Home > Programs > NSP: Neighborhood Stabilization Program > NSP Closeout Process and Guidance > Closeout Process Overview

## NSP Closeout Process and Guidance

Search

Closeout Process Overview

- Prepare: Are You Ready for Closeout?
- Complete: Closeout Steps
- Comply: Post-Closeout

Additional Resources

Get Help Today

Prepare

Are you ready for closeout? Learn more about these topics to find out.

- Line of Credit Funds Drawn
- 25% Set-Aside
- Program Income
- National Objectives
- DRGR Data
- Monitoring Findings
- Restrictive Covenants
- Land Banks

➔

Complete

So you're ready to close out...What now?

- Contact Your Field Office
- Complete Closeout Package
- Submit Final Performance Report
- Execute Closeout Agreement
- Cancel Unused NSP Award

➔

Comply

You've closed out your NSP grant—Remember, you still have some responsibilities.

- Policies and Procedures
- Post Closeout Income
- Land Banked Properties
- DRGR
- Reporting Requirements
- Records Management
- Flood Insurance
- Change in Use
- Environmental Reviews
- Loan Loss Reserve Fund

Next

Home > Programs > NSP: Neighborhood Stabilization Program > NSP Closeout Process and Guidance > Prepare: Are You Ready for Closeout?

## NSP Closeout Process and Guidance

Search

Closeout Process Overview

- Prepare: Are You Ready for Closeout?
- Complete: Closeout Steps
- Comply: Post-Closeout

Additional Resources

### Prepare: Are You Ready for Closeout?

Are you ready for closeout? Learn more about these topics to find out.

- Line of Credit Funds Drawn
- 25% Set-Aside
- Program Income
- National Objectives
- DRGR Data
- Monitoring Findings
- Restrictive Covenants
- Land Banks

**Resources**

- Download this checklist and make notes as you review the questions.
- If you have questions after you complete the checklist, request NSP Technical Assistance by emailing [nsp-Questions@hud.gov](mailto:nsp-Questions@hud.gov). Requests should include a point of contact name, phone number, email address, and a brief description of the issue.
- Instructional Videos: HUD developed several instructional videos that walk through the process of completing a few of the forms in the closeout package.
  - NSP Closeout Cover Letter - Attachment A Instructional Video
  - NSP Closeout Certification - Attachment B Instructional Video
  - NSP Grant Closeout Agreement - Attachment D Instructional Video

Previous Next

Complete: Closeout Steps

Comply: Post-Closeout

Additional Resources

# Complete

Resources and assistance to support HUD's community partners

NEED HOUSING ASSISTANCE? Email Updates Log In

**HUD EXCHANGE**  
Secretary Ben Carson

Programs Resources Trainings Program Support Grantees News

Home > Programs > NSP: Neighborhood Stabilization Program > NSP Closeout Process and Guidance > Closeout Process Overview

## NSP Closeout Process and Guidance

Search

Closeout Process Overview

- Prepare: Are You Ready for Closeout?
- Complete: Closeout Steps**
- Comply: Post-Closeout

Additional Resources

Get Help Today

Prepare

Are you ready for closeout? Learn more about these topics to find out.

- Line of Credit Funds Drawn
- 25% Set-Aside
- Program Income
- National Objectives
- DRGR Data
- Monitoring Findings
- Restrictive Covenants
- Land Banks

➔

Complete

So you're ready to close out...What now?

- Contact Your Field Office
- Complete Closeout Package
- Submit Final Performance Report
- Execute Closeout Agreement
- Cancel Unused NSP Award

➔

Comply

You've closed out your NSP grant—Remember, you still have some responsibilities.

- Policies and Procedures
- Post Closeout Income
- Land Banked Properties
- DRGR
- Reporting Requirements
- Records Management
- Flood Insurance
- Change in Use
- Environmental Reviews
- Loan Loss Reserve Fund

Next

Home > Programs > NSP: Neighborhood Stabilization Program > NSP Closeout Process and Guidance > Complete: Closeout Steps

## NSP Closeout Process and Guidance

### Complete: Closeout Steps

Search

Closeout Process Overview

- Prepare: Are You Ready for Closeout?
- Complete: Closeout Steps**
- Comply: Post-Closeout

Additional Resources

Get Help Today

Complete

So you're ready to close out...What now?

- Contact Your Field Office
- Execute Closeout Agreement
- Complete Closeout Package
- Cancel Unused NSP Award
- Submit Final Performance Report

Previous

Next

1. Review NSP Grant Closeout Overview
2. Contact Your Field Office
3. HUD Determines Readiness and Sends Closeout Package
4. Prepare and Submit Closeout Package to HUD
5. HUD Reviews Closeout Package
6. Submit Final Performance Report to HUD
7. Execute Closeout Agreement with HUD
8. HUD Cancels Unused NSP Grant Award

Comply: Post-Closeout

Additional Resources

Get Help Today

# Post-Closeout Compliance

Resources and assistance to support HUD's community partners

NEED HOUSING ASSISTANCE? Email Updates Log In

**HUD EXCHANGE**  
Secretary Ben Carson

Programs Resources Trainings Program Support Grantees News

Home > Programs > NSP: Neighborhood Stabilization Program > NSP Closeout Process and Guidance > Closeout Process Overview

## NSP Closeout Process and Guidance

Search

Closeout Process Overview

- Prepare: Are You Ready for Closeout?
- Complete: Closeout Steps
- Comply: Post-Closeout**

Additional Resources

Get Help Today

**Prepare**

Are you ready for closeout? Learn more about these topics to find out.

- Line of Credit Funds Drawn
- 25% Set-Aside
- Program Income
- National Objectives
- DRGR Data
- Monitoring Findings
- Restrictive Covenants
- Land Banks

→

**Complete**

So you're ready to close out...What now?

- Contact Your Field Office
- Complete Closeout Package
- Submit Final Performance Report
- Execute Closeout Agreement
- Cancel Unused NSP Award

→

**Comply**

You've closed out your NSP grant—Remember, you still have some responsibilities.

- Policies and Procedures
- Post Closeout Income
- Land Banked Properties
- DRGR
- Reporting Requirements
- Records Management
- Flood Insurance
- Change in Use
- Environmental Reviews
- Loan Loss Reserve Fund

Next

Home > Programs > NSP: Neighborhood Stabilization Program > NSP Closeout Process and Guidance > Comply: Post-Closeout > Post-Closeout Compliance

## NSP Closeout Process and Guidance

Search

Closeout Process Overview

- Prepare: Are You Ready for Closeout?
- Complete: Closeout Steps
- Comply: Post-Closeout**

Additional Resources

Get Help Today

### Post-Closeout Compliance

You are responsible for ongoing compliance with the use of NSP funds and for ensuring affordability of NSP-funded properties. Carefully review the applicable regulations and notices as well as any special provisions contained in the Closeout Agreement.

For more information on each of these items, review the [NSP Closeout Guide](#).

- Internal Policies and Procedures to Ease Long-Term Administration:** Draft policies for post-closeout administration and systems for tracking compliance with these requirements. This makes long-term compliance more manageable throughout the course of staff turnover and the passage of time.
- Income Generated Following Closeout:** Grantees continue to use program income in compliance with NSP rules and may earn additional program income that must be reported annually.
- Use of Land-Banked Properties:** The Closeout Agreement contains provisions for the identification of any program assets. This includes a list of real property held by a land bank and a plan documenting how the 10-year maximum land holding requirement will be met as required by the Unified NSP Notice.
- Use of DRGR:** Grantees must continue to report annually in DRGR on the status of activities funded with program income that were open as of closeout including the final reporting of beneficiaries, accomplishments, and affordability data; any receipts of program income following closeout and the use of that program income through the creation of program income vouchers as well as reporting of beneficiary and accomplishment data associated with the use of program income; and affordability information of all units funded with NSP grant funds and program income.
- Reporting During Affordability Period:** All NSP grantees must report annually on continued affordability restrictions on NSP assisted properties. Grantees or their designated responsible organizations must ensure that continued affordability requirements are met for the duration of the term of affordability.
- Records Management and Retention:** An organized system must be in place to manage existing records and to prepare for incoming documents that will be used to update inventories. Records management requirements are outlined in 24 CFR 570.506, 42 USC 12707(a)(4).
- Flood Insurance:** Grantees must ensure that flood insurance coverage is maintained for property located in any area identified by FEMA as having special flood hazards. The grantee is responsible for assuring that flood insurance under the National Flood Insurance Program is obtained and maintained by any affected property owners indefinitely (24 CFR 58.6).
- Change in Use:** The Closeout Agreement must include provisions for the use of NSP-assisted properties in accordance with the change in use principles in 24 CFR 570.505(a). These rules apply if a change in use takes place within five years of closeout.
- Environmental Reviews:** Prior to the drawdown of any NSP funds, environmental reviews are required for most grantees and there should be an Environmental Review Record (ERR). Documentation should be kept on file for the duration of the records retention period.
- Loan Loss Reserve Fund:** Grantees should develop a set of policies and procedures to guide the operation of the Loan Loss Reserve Fund. Grantees must be able to access details on each loan guaranteed, including the amount of funds held, public records information, and original buyer qualification documents.

Previous Next

# Questions???

Submit your question to the NSP AAQ

<https://www.hudexchange.info/program-support/my-question/>

OR

Contact your local HUD Field Office