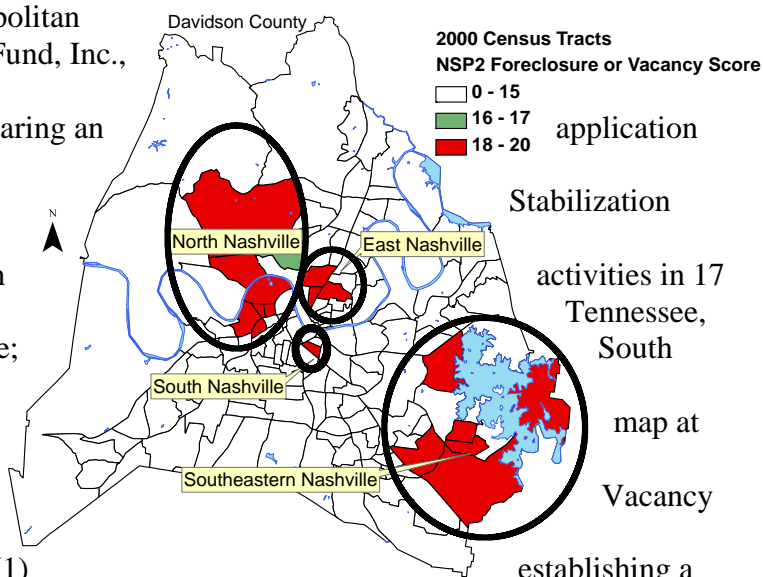


Overall Stabilization Program

Brief Description of Neighborhood Stabilization Program 2

A consortium of agencies including the Metropolitan Development Housing Agency, The Housing Fund, Inc., Urban Housing Solutions, Inc., and Woodbine Community Organization (WCO), Inc., is preparing an application to request up to \$36,000,000 under the second round of funding for the Neighborhood Program (“NSP2”). The application will propose certain neighborhood stabilization census tracts located in Davidson County, grouped into four target areas: North Nashville; Nashville; East Nashville; and Southeastern Nashville. The target areas are depicted in the right, and the census tracts, along with the corresponding HUD Foreclosure and Scores, are listed in the table attached as Schedule 1. The NSP activities will include: (1) establishing a financing mechanism; (2) purchasing and rehabilitating homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties; and (3) redeveloping demolished or vacant properties as housing.



The following development concepts are the principles that will guide the neighborhood stabilization activities in these target areas, each of which are unique in terms of how they have been impacted by socioeconomic and housing market conditions. All have troubling characteristics that if not addressed could lead to systemic failures in those communities. That concern is why the consortium has elected to strategically focus its use of NSP funds within those four areas versus a more scattered approach that would simply try to acquire as many foreclosed properties as possible without thought given to the bigger picture of stabilizing neighborhoods.

Neighborhood Stabilization Concepts:

- Stabilize neighborhoods through housing development and redevelopment;
- Leverage neighborhood stabilization as a springboard to neighborhood revitalization;
- Target areas based on need and past/ongoing redevelopment/revitalization activities;
- Locate multifamily developments on mixed-use transit corridors as anchors, with surrounding neighborhood single-family housing infill;
- Provide rental/homebuyer units, including rentals for former and/or foreclosed owners;
- Create mixed-income communities;
- Use shared equity loans to sustain affordability, ensure “successful homeownership,” and balance gentrification;
- Incorporate green building technologies to promote financial and physical health and well being.

Public Comment: The public is invited to comment on the use of NSP2 funds by email at nsp2comments@mdha.org. All comments on the draft NSP2 application must be submitted in writing and received by 4:00 PM on July 13, 2009.

Schedule 1

Target Geography

Area	Census Tract	HUD Foreclosure Score	HUD Vacancy Score
North Nashville	101.02	18	14
	127.01	17	14
	128.01	18	17
	136	16	18
	137	18	18
	138	18	16
	139	18	20
	143	17	19
South Nashville	160	16	20
	161*	13	16
Southeastern Nashville	156.11	18	11
	156.16	18	14
	156.18	18	14
	156.20	19	14
	156.21	20	14
East Nashville	113	17	19
	117	16	18
	118	16	19

* Tract 161 is under consideration. It is not currently included in the 17 tracts, but may be added.