



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

AUG 05 2010

Mr. Ommeed Sathe
Director, Real Estate Services
New Orleans Redevelopment Authority
1340 Poydras Street
New Orleans, LA 70112

Dear Mr. Sathe:

The Department received the New Orleans Redevelopment Authority NSP2 consortium's amendment request dated by April 9, 2010. The New Orleans Redevelopment Authority (NORA) and its consortium members were awarded a Neighborhood Stabilization Program 2 (NSP2) grant of \$29,782,103 from the Department to address targeted areas across 93 census tracts with severe blight and vacancy problems.

The NORA NSP2 Consortium has requested the following amendment:

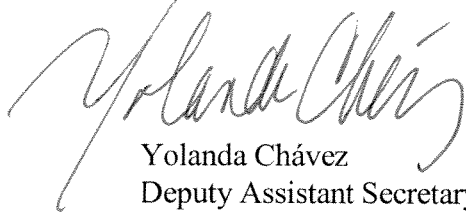
- 1.) Add the State of Louisiana as a consortium member to carry out the environmental procedures for the consortium's NSP2 activities in accordance with HUD's environmental review procedures for entities assuming HUD environmental responsibilities in 24 CFR Part 58.
- 2.) Add two (2) census tracts to NORA's targeted geography for carrying out its NSP2 program.

The Neighborhood Stabilization Program, authorized by the Housing and Economic Recovery Act of 2008 (HERA), which 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 selected for funding under the NSP2 competition." HUD convened the NSP2 Amendment Panel and reviewed the NORA NSP2 consortium's amendment request and justification. The Panel discussed each of the 6 rating factors in the NSP2 competition and examined how adding a consortium member and two census tracts would affect any rating factor.

The Panel determined that the NORA NSP2 consortium's amendment will not affect the scoring of their original NSP2 application, and thus their amendment has been approved by HUD. Please contact Stanley Gimont, Director, Office of Block Grant Assistance, at (202) 708 – 3587 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Yolanda Chávez". The signature is fluid and cursive, with the first name being the most prominent.

Yolanda Chávez
Deputy Assistant Secretary
for Grant Programs