



Mayor Jim Gray

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
Division of Grants and Special Programs

**TO: JIM GRAY, MAYOR
URBAN COUNTY COUNCIL**

**FROM: IRENE GOODING, DIRECTOR
DIVISION OF GRANTS AND SPECIAL PROGRAMS**

DATE: JUNE 5, 2012

**SUBJECT: REQUEST COUNCIL AUTHORIZATION TO EXECUTE MODIFICATION #3 TO
NEIGHBORHOOD STABILIZATION PROGRAM FUNDING AGREEMENT WITH
THE KENTUCKY DEPARTMENT FOR LOCAL GOVERNMENT UNDER THE
NEIGHBORHOOD STABILIZATION PROGRAM FOR LAND BANKING
ACTIVITIES**

On June 25, 2009 (Ordinance No. 123-2009), Council approved the acceptance of federal funds from the Kentucky Department for Local Government under the Neighborhood Stabilization Program for operation of a Land banking project. This included the acquisition, disposal, and maintenance of distressed homes and demolition of blighted structures. The LFUCG was approved for funding in the amount of \$1,374,975.

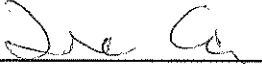
On June 10, 2010 (Ordinance No. 101-2010), Council approved execution of a modification to the agreement with Kentucky Department for Local Government for use of federal funds under the Neighborhood Stabilization Program for Land banking activities. The LFUCG was modified for funding in the amount of \$1,000,000.

On August 26, 2010 (Resolution No. 461-2010), Council approved Modification # 2, providing for "funding out," 30-day cancellation, access to records, revision of amounts to be expended within the eligible uses of funds, and provisions for loan servicing.

Kentucky Department for Local Government (DLG) has offered a third modification to the funding agreement to be executed by the LFUCG. Modification # 3 provides for the addition of additional federal funds in the amount of \$27,072 for the support of unanticipated program costs that include lead-based paint abatement, compliance with State Historic Preservation Office requirements, and demolition of structurally unsound homes that could not be rehabilitated.

The source of funds is the U.S. Department of Housing and Urban Development. Funds for this program were appropriated by Congress in the Housing and Economic Recovery Act of 2008.

Council authorization to execute Modification # 3 to Neighborhood Stabilization Program Funding Agreement, accepting additional federal funds, is hereby requested.



Irene Gooding, Director

Xc: Richard Moloney, Chief Administrative Officer

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