

**NOTICE OF SUBSTANTIAL AMENDMENT TO
STATE OF ILLINOIS
NEIGHBORHOOD STABILIZATION PROGRAM (NSP) ACTION PLAN**

In accordance with a notice published by the United States Department of Housing and Urban Development (HUD) on September 26, 2008, and revised in the Neighborhood Stabilization Program Bridge Notice on June 11, 2009, the State of Illinois announces plans to submit a Substantial Amendment to HUD for the State of Illinois Neighborhood Stabilization Program (NSP) Action Plan. This NSP Action Plan Substantial Amendment is being undertaken to make changes to the State's approved NSP Action Plan for approximately \$53 million in funding under the Neighborhood Stabilization Program created by the Housing and Economic Recovery Act of 2008 (the "HERA").

The State of Illinois NSP Action Plan was approved by HUD in March 2009. The current proposed Substantial Amendment to the NSP Action Plan is necessary to identify certain key changes including the transfer of lead administration and implementation responsibilities for the NSP to the Illinois Housing Development Authority (IHDA). The Illinois Department of Human Services (IDHS) was the lead entity for administration of the NSP during the initial stage of plan development, application, and sub-grantee selections.

The NSP funding will be used for eligible activities under the program, which include purchase and rehabilitation of foreclosed or abandoned homes for resale or rental, demolition of blighted structures, provision of secondary financing for the purchase of properties, redevelopment of demolished or vacant properties, and land banking. The HERA requires that the funds be used in areas of greatest need and that they be obligated to a specific property within 18 months of receipt of funding by the State from HUD.

Interested parties should review the proposed NSP Action Plan Substantial Amendment for further information on the proposed changes.

Federal guidelines for substantial changes to an approved NSP Action Plan require the State to undertake a fifteen (15) day public comment period. The Public Comment Period will begin on Friday, November 13, 2009 and extends through close of business on Friday, November 27, 2009. During this time, interested parties may retrieve and download the Draft Substantial Amendment to the NSP Action Plan online at www.dhs.state.il.us/nsp Printed copies of this amendment can be obtained by contacting the addresses below. Written comments will be received by:

Mr. Steven E. Shaw, NSP Director
Illinois Department of Human Services
401 South Clinton Street
Chicago, Illinois 60607
steven.e.shaw@illinois.gov

Ms. Adonya N. Little, NSP Manager
Illinois Housing Development Authority
401 N. Michigan Avenue, Suite 700
Chicago, IL 60611

All written public comments must be received by close of business on November 27, 2009 in order to be considered.