

Collaborative Solutions, Inc.
Template: NSP Letter with Recommendations

November 1, 2008

Shabbir Olia
Community Development Block Grant Director
Alabama Department of Economic and Community Activities (ADECA)
P.O. Box 5690
Montgomery, AL 36103-5690

Dear Mr. Olia,

On behalf of the *insert your organization's name here*, we are writing to request that ADECA's 2008 Consolidated and Action Plans include language promoting the use of Neighborhood Stabilization Program funds for the benefit of all low-income and special needs populations in Alabama. As members of *insert your organization's name here*, we recognize the extensive need to find decent, safe, and affordable housing for Alabamians who are considered extremely low-income (30% and below of Median Family Income [MFI]). It is our belief that every resident in Alabama deserves a safe and decent place to live.

Our recommendations for the Neighborhood Stabilization Program (NSP) funding are as follows:

1. ADECA partner with nonprofit service providers that target special needs populations (at or below 50% of MFI) and work with them to create affordable housing opportunities. **Reason:** *Many individuals living at 50% and below of MFI have special needs and need supportive services to remain stably housed. These individuals are being served by nonprofit service providers who understand the housing need for their clientele and would be a logical choice for partnering with ADECA to provide housing options to these hard-to-serve populations. Service providers could provide supportive services to ensure housing stability.*
2. ADECA recognize the need for affordable rental housing and provide opportunities for rental housing to populations living at or below 50% of MFI. **Reason:** *It is difficult for individuals living at 50% and below of MFI to become homeowners. A primary reason is that an individual living with a low-income may not have the financial stability to purchase a house at fair market value. Foreclosed properties including land, single-family homes, and rental properties need to be made available to nonprofit organizations serving individuals at or below 50% of MFI.*
3. ADECA increase the amount of set-aside of 25% of NSP funds to provide housing opportunities for individuals and families at or below 50% of MFI. **Reason:** *The National Low Income Housing Coalition estimates there is a shortage of 44,673 units of available and affordable housing in the state for extremely low income residents (income at or below 30% of area median).¹*

We, the membership of *insert your organization's name here*, are committed to ensuring that NSP dollars be used to promote housing opportunities for Alabamians with the greatest financial need. We thank you for your consideration of this important matter.

Sincerely,

¹ National Low Income Housing Coalition (2008). Congressional District Profiles. Accessed October 16, 2008 at <http://www.nlihc.org/doc/cdpAL.pdf>.