FUNDING APPROVAL AND GRANT AGREEMENT FOR NEIGHBORHOOD STABILIZATION PROGRAM (NSP) FUNDS AS AUTHORIZED AND APPROPRIATED UNDER THE HOUSING AND ECONOMIC RECOVERY ACT OF 2008 (PUBLIC LAW 110-289, JULY 30, 2008)

NSP GRANTEE:	**City of Deltona**
NSP GRANT NUMBER:	**B-08-MN-12-0006**
NSP GRANT AMOUNT:	**$ 6,635,909**
NSP APPROVAL DATE:	**March 19, 2009**

This Grant Agreement between the Department of Housing and Urban Development (HUD) and **City of Deltona (Grantee)** is made pursuant to the authority of sections 2301 – 2304 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289 (July 30, 2008)) (HERA). The program established pursuant to section 2301-2304 is known as the "Neighborhood Stabilization Program" or "NSP." The Notice of Allocations, Application Procedures, Regulatory Waivers Granted to and Alternative Requirements for Redevelopment of Abandoned and Foreclosed Homes Under the Housing and Economic Recovery Act, 2008 published at 73 FR 58330 (October 6, 2008) (Notice); HERA; the Grantee's submission for NSP assistance (Grantee Submission); the HUD regulations at 24 CFR Part 570 (as modified by the Notice and as now in effect and as may be amended from time to time) (Regulations); and this Funding Approval, including any special conditions, constitute part of the Grant Agreement.

Subject to the provisions of this Grant Agreement, HUD will make NSP Grant Funds in the amount of **$ 6,635,909** available to the Grantee upon execution of this Grant Agreement by the parties. The Grantee shall have 18 months from the date of HUD's execution of this Grant Agreement to obligate the NSP Grant Amount pursuant to the requirements of HERA and the Notice. The Grantee shall have 48 months from the date of HUD's execution of this Grant Agreement to expend the NSP Grant Amount pursuant to the requirements of the Notice. The NSP Grant Funds may be used to pay eligible costs arising from eligible uses incurred after the NSP Approval Date provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-award planning and general administrative costs may not be paid with funding assistance except as permitted in the Notice; the Notice limits such costs to those incurred on or after September 29, 2008. Other pre-award costs may not be paid with funding assistance except as permitted by 24 CFR 570.200(h); for purposes of NSP, such costs are limited to those incurred on or after the date that the NSP substantial amendment was received by HUD.

The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I of the Housing and Community Development Act, as amended (42 U.S.C. 5304) and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Grant Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

This Grant Agreement may be amended only with the prior written approval of HUD. In considering proposed amendments to this Grant Agreement, HUD shall review, among other things, whether the amendment is otherwise consistent with HERA, the Notice, and the Regulations.

The Grantee may amend its Grantee Submission; however, such amendments, including substantial amendments as defined in 24 CFR Part 91, will be subject to the requirements of 24 CFR Part 91 (or any successor regulation) and any revisions HUD may make to the Notice (or any successor Notice or regulation).

The Grantee shall at all times maintain an up-to-date copy of its Grantee Submission, including all amendments approved by HUD, on its Internet website as required by the Notice. Further, the Grantee shall maintain information on all draw downs, deposits, and expenditures of grant funds and program income under this Funding Approval and Grant Agreement and any other records required by 24 CFR 570.506, in its files and shall make such information available for audit or inspection by duly authorized representatives of HUD, HUD's Office of the Inspector General, or the Comptroller General of the United States.

The Grantee shall submit information on performance measurement as established by the Secretary for activities undertaken with NSP grant funds.

The Grantee is advised that providing false, fictitious or misleading information with respect to NSP Grant Funds may result in criminal, civil or administrative prosecution under 18 USC §1001, 18 USC §1343, 31 USC §3729, 31 USC §3801 or another applicable statute.

Close-out of this grant shall be subject to the provisions of 24 CFR 570.509 or such close-out instructions as may hereafter be issued by HUD specifically for NSP grants.

Special Grant Condition

Pursuant to 24 CFR 85.12 (a)(3), a special condition applies to this Grant Agreement due to the size of the NSP Grant Amount relative to your 2008 CDBG grant. Within 60 days of the date HUD signed this grant agreement, the Grantee must submit a management plan that describes how it has determined that it possesses adequate staff and other resources necessary to administer NSP grant funds. If the Grantee fails to submit this plan within 60 days, HUD may thereafter withhold authority to incur additional obligations of NSP Grant Funds.

This NSP Grant Agreement is binding with respect to HUD in accordance with its terms upon the execution by HUD in the space provided above, subject to execution on behalf of the Grantee.

The United States Department of Housing and Urban Development	**The Grantee City of Deltona**
Signature of Authorized Official	Signature of Authorized Official
Gary A. Causey Name of Authorized Official	DENNIS MULDER Name of Authorized Official
Director, Community Planning and Development Division Title of Authorized Official	Mayor Title of Authorized Official
March 20, 2009 Date of Signature	3/24/09 Date of Signature
	59-3348668 Grantee Tax Identification Number

City of Deltona

March 25, 2009

Gary A. Causey, Director, CPD
Jacksonville HUD Office
400 W. Bay St., Suite 1015
Jacksonville, FL 32202

Re: Deltona Neighborhood Stabilization Program
Funding Approval and Grant Agreements

Dear Mr. Causey:

Enclosed please find three executed Funding Approval and Grant Agreements for Neighborhood Stabilization Program (NSP) grant funds allocated to the City of Deltona.

Additionally, I have enclosed the Direct Deposit Sign-Up Form to expedite the availability of the NSP funds on the DRGR.

I appreciate your assistance throughout the funding process and look forward to working with the U.S. Department of Housing and Urban Development in the administration of the NSP program.

Sincerely,

Lori Serino

Lori Serino
Community Development Manager
Planning and Development Services